# EOG Resources, Inc. P.O. 1910 Vernal, UT 84078

February 13, 2006

Utah Division of Oil, Gas, & Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 Salt Lake City, UT 84114-5801

> RE: APPLICATION FOR PERMIT TO DRILL EAST CHAPITA 3-5 NE/NW (Lot 3), SEC. 5, T9S, R23E UINTAH COUNTY, UTAH LEASE NO.: U-01304 FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

Ed Trotter P.O. Box 1910 Vernal, UT 84078 Phone: (435)789-4120

Fax: (435)789-1420

Sincerely

Ed Trotte Agent

**EOG Resources, Inc.** 

Attachments

# **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

5. Lease Serial No.

| <u>U-01304</u>      |               |
|---------------------|---------------|
| If Indian, Allottee | or Tribe Name |

| APPLICATION FOR PERMIT | TO DRILL OR REENTER |
|------------------------|---------------------|
|                        |                     |

| 1a. Type of Work: X DRILL  | REENTER  | 7. If Unit or CA Agreement, Name and No.   |
|--|--|--|
| 1b. Type of Well: Oil Well X Gas Well Ot   | her X Single Zone Multiple Zone  | 8. Lease Name and Well No. EAST CHAPITA 3-5  |
| 2. Name of Operator  |  | 9. API Well No.  |
| EOG RESOURCES, INC.  |  | 43-047-37854   |
| 3a. Address P.O. BOX 1815  | 3b. Phone No. (Include area code)  | 10. Field and Pool, or Exploratory   |
| VERNAL, UT 84078  4. Location of Well (Report location clearly and in accord   | (435)789-0790  | NATURAL BUTTES   |
| At surface 796' FNL, 1926' FWL At proposed prod. Zone  | 640471X NE/NW (Lot 3)<br>4365964 -109.35276  | ,  |
| 14. Distance in miles and direction from nearest town or po<br>43.28 MILES SOUTHEAST OF VI   | st office*   | 12. County or Parish UINTAH UTAH   |
| 15. Distance from proposed*  | 16. No. of Acres in lease  | 17. Spacing Unit dedicated to this well  |
| property or lease line, ft. (Also to nearest drig. Unit line, if any)  | 2451   | 40   |
| 18. Distance from proposed location*   | 19. Proposed Depth   | 20. BLM/BIA Bond No. on file   |
| to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C   | 9610'  | NM-2308  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4909.2 FEET GRADED GROUND  | 22. Approximate date work will start* UPON APPROVAL  | 23. Esti mated duration 45 DAYS  |
| Attachments  | 24. Attachments  |  |
| <ol> <li>The following, completed in accordance with the requirements.</li> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National For SUPO shall be filed with the appropriate Forest Serven.</li> </ol> | 4. Bond to cover the (see Item 20 aborest System Lands, the 5. Operator certifications)                              | operations unless covered by an existing bond on file ove).  ion.  cific information and/or plans as may be required |
| 25. Signature  | Name (Printed/Typed)   | , D  |
| Title / Lel (1) with   | Ed Trotter   | February 13, 2006  |
| Agent  |  |  |
| Approved by (Signature)  | Name (Printed/Typed) BRADLEY G. HILL ENVIRONMENTAL MANAGER   | Date   |
| Title  | Office   | ; 0300 W   |
| Application approval does not warrant or certify that the appli conduct operations thereon.  Conditions of Approval, if any, are attached.   | cant holds legal or equitable title to those rights  | in the subject lease which would entitle the applicant to  |
|  |  | BECEN  |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 121 United States any false, fictitious or fraudulent statements or results.  | <ol><li>make it a crime for any person knowingly an<br/>epresentations as to any matter within its jurisdi</li></ol> | d willfully to make to any department or agency of the lection.  |
| *(Instructions on page 2)  | Rederal Approval of this   | DIV. OF OU 24  |

# T9S, R23E, S.L.B.&M. 1977 Brass Cup, 0.1' High, Pile of Stones T8SS89'56'38"W -- 2640.59' (Meas.) S89°51'51"W - 2623.56' (Meas.) T9S1977 Brass Cap, 1977 Brass Cap 0.4' High, Pile 0.9' High, Set Stone of Stones EAST CHAPITA #3-5 07, 1926 Elev. Ungraded Ground = 4912' LOT 4 LOT 3 LOT 2 LOT 1 . 1977 Brass Cap, 1977 Brass Cap. 0.4' High, Pile 1.3' High, Pile of Stones of Stones ੌ . G.L. 2649.90 N89'39'W - 2642.64' (G.L.O.) S89'58'W - 2634.72' (G.L.O.) BASIS OF BEARINGS BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(NAD 83)

## LEGEND:

\_\_ = 90' SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

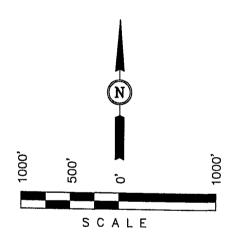
LATITUDE = 40°04'11.29" (40.069803) LONGITUDE = 109°21'12.43" (109.353453) (NAD 27) LATITUDE = 40°04'11.42" (40.069839) LONGITUDE = 109°21'09.98" (109.352772)

# EOG RESOURCES, INC.

Well location, EAST CHAPITA #3-5, located as shown in the NE 1/4 NW 1/4 (Lot 3) of Section 5, T9S, R23E, S.L.B.&M. Uintah County, Utah.

# BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.



# CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR REGISTRATION NO. 161319

# Untah Engineering & Iand Surveying 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

| (                       | 7 100 1017                 |                         |
|-------------------------|----------------------------|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>06-29-05 | DATE DRAWN:<br>07-07-05 |
| PARTY<br>T.B. B.C. P.M. | REFERENCES<br>G.L.O. PLA   | Т                       |
| WEATHER<br>HOT          | FILE<br>EOG RESOURCE       | ES, INC.                |

# EIGHT POINT PLAN EAST CHAPITA 3-5 NE/NW (Lot 3), SEC. 5, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

# 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION              | DEPTH (KB) |
|------------------------|------------|
| Green River FM         | 2,036'     |
| Wasatch                | 4,964'     |
| Chapita Wells          | 5,611'     |
| Buck Canyon            | 6,278'     |
| North Horn             | 6,917'     |
| Island                 | 7,293'     |
| KMV Price River        | 7,476'     |
| KMV Price River Middle | 8,136'     |
| KMV Price River Lower  | 8,931'     |
| Sego                   | 9,410'     |

Estimated TD: 9,610' or 200'± below Sego top

Anticipated BHP: 5,250 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft  $\pm$  of the Green River Formation, with top at about 2,000 ft  $\pm$ .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

# 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

|            |          |                   |               |               |              |               |          | TING FACTOR       |
|------------|----------|-------------------|---------------|---------------|--------------|---------------|----------|-------------------|
| ;          | HOLE SIZ | E <u>INTERVAL</u> | <u>SIZE</u>   | <b>WEIGHT</b> | <b>GRADE</b> | <b>THREAD</b> | COLLAPSE | E /BURST/ TENSILE |
| Conductor  | :: 17 ½" | 0'-45'            | 13 <b>%</b> " | 48.0#         | H-40         | STC           |          | 1730 PSI 322,000# |
|            |          | 45' - 2,300'KB±   |               | 36.0#         | J-55         | STC           |          | 3520 Psi 394,000# |
| Production | : 7-7/8" | $2,300' \pm - TD$ | 4-1/2"        | 11.6#         | N-80         | LTC           | 6350 PSI | 7780 Psi 223,000# |

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone. All casing will be new or inspected.

#### 5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of its. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

# EIGHT POINT PLAN EAST CHAPITA 3-5 NE/NW (Lot 3), SEC. 5, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface.  $4-\frac{1}{2}$ ", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. ( $30\pm$  total). Thread lock float shoe, top and bottom of float collar, and top of  $2^{nd}$  joint.

#### 6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' $\pm$  - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'±-TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

#### 7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

## 8. EVALUATION PROGRAM:

Logs:

Mud log from base of surface casing to TD.

Cased-hole Logs:

Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

#### 9. CEMENT PROGRAM:

# Surface Hole Procedure (Surface - 2300'±):

Lead:

Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

Tail:

Class "G" cement with 2% CaCI<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps

water.

# EIGHT POINT PLAN EAST CHAPITA 3-5 NE/NW (Lot 3), SEC. 5, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

# **CEMENT PROGRAM (Continued):**

Top Out: As necessary with Class "G" cement with 2% CaCI<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18

ft<sup>3</sup>/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

## Production Hole Procedure (2300'± - TD)

Lead:

153 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65

(Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19

gps water.

Tail:

890 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

Note:

The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch. Final Cement volumes will be based upon gauge-hole plus 45% excess.

#### 10. ABNORMAL CONDITIONS:

# Surface Hole (Surface - 2300'±):

Lost circulation

## Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

# 11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

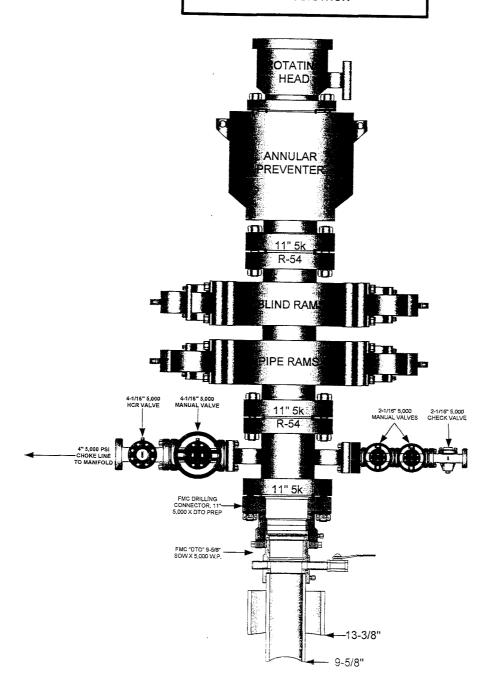
# 12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

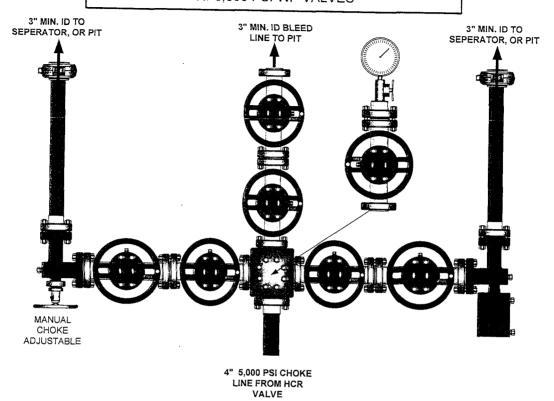
EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



# EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



## Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
- 4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

# CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

Company/Operator:

**EOG** Resources, Inc.

Well Name & Number: East Chapita 3-5

Lease Number:

U-01304

Location:

796' FNL & 1926' FWL, NE/NW (Lot 3), Sec. 5,

T9S, R23E, S.L.B.&M., Uintah County, Utah

Surface Ownership:

Federal

# NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction

of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice:

- at least twenty-four (24) hours prior to

spudding the well.

Casing String and

Cementing

- twenty-four (24) hours prior to running

casing and cementing all casing strings.

BOP and related

**Equipment Tests** 

- twenty-four (24) hours prior to running

casing and tests.

First Production

Notice

- within five (5) business days after new

Well begins or production resumes after Well has been off production for more

than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

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# THIRTEEN POINT SURFACE USE PROGRAM

#### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 43.28 miles southeast of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

# 2. PLANNED ACCESS ROAD

- A. The access road will be approximately 210 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. Culverts will be installed in the access road as needed. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

# 3. <u>LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION</u>

A. Producing wells - 5\*

(\*See attached TOPO map "C" for location)

# 4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

### A. ON WELL PAD

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
- 2. Gas gathering lines A 4" gathering line will be buried from dehy to the edge of the location.

## B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 212' from proposed location to a point in the NE/NW (Lot 3) of Section 5, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline lies within lease boundaries, thus a Right-of-Way grant will not be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

The production facilities will be placed on the West side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

# 5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

# 6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

# 7. METHODS OF HANDLING WASTE DISPOSAL

#### A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources. Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

#### On BLM administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 mill plastic liner.

#### 8. ANCILLARY FACILITIES

A. No airstrips or camps are planned for this well.

### 9. WELLSITE LAYOUT

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved interim seed mixture for this location is:

  Needle and Thread Grass 6 pounds per acre

  Hi-Crest Crested Wheat Grass 6 pounds per acre.

The final abandonment seed mixture for this location is:

Four-Wing Salt Bush – 3 pounds per acre Indian Rice Grass – 2 pounds per acre Needle and Thread Grass – 2 pounds per acre Hi-Crest Crested Wheat Grass – 1 pound per acre.

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corner #5. The stockpiled location topsoil will be stored between Corners #2 and #8. Upon completion of construction, the stockpiled

topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the Southeast.

Corners #2 & #6 will be rounded off to minimize excavation.

## **FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

# 10. PLANS FOR RESTORATION OF SURFACE

# A. PRODUCING LOCATION

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

# B. <u>DRY HOLE/ABANDONED LOCATION</u>

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriate surface rehabilitation conditions of approval.

#### 11. SURFACE OWNERSHIP

Access road: Federal Location: Federal

#### 12. OTHER INFORMATION

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
  - whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used.
  - a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

#### **Additional Surface Stipulations**

X No construction or drilling activities shall be conducted between May 15 and June 20 due to Antelope Stipulations.

Culverts will be installed in the access road as needed.

# LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

#### **PERMITTING AGENT**

Ed Trotter P.O. Box 1910 Vernal, UT 84078

Telephone: (435)789-4120 Fax: (435)789-1420

#### **DRILLING OPERATIONS**

Donald Presenkowski EOG Resources, Inc. P.O. Box 250

Big Piney, WY 83113 Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

## Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 3-5 Well, located in the NE/NW (Lot 3) of Section 5, T9S, R23E, Uintah County, Utah; Lease #U-01304; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

2-/3- 2006 Date

# Request for Exception to Buried Pipeline Requirement For the East Chapita 3-5 NE/NW (Lot 3), Sec. 5, T9S, R23E Lease Number U-01304

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

- 1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 0.24 acre.
- 2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
- 3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
- 4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
- 5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
- 6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
- 7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
- 8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
- 9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
- 10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

# EOG RESOURCES, INC. EAST CHAPITA #3-5 SECTION 5, T9S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 19.2 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 13.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO EAST; TURN RIGHT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND A NORTHEASTERLY, PROCEED IN THEN EASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATLEY 1.0 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #662-6 TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACESS FOR THE #2-5 TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATLEY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #5-5 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 210' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 43.25 MILES.

# EOG RESOURCES, INC.

EAST CHAPITA #3-5 LOCATED IN UINTAH COUNTY, UTAH **SECTION 5, T9S, R23E, S.L.B.&M.** 

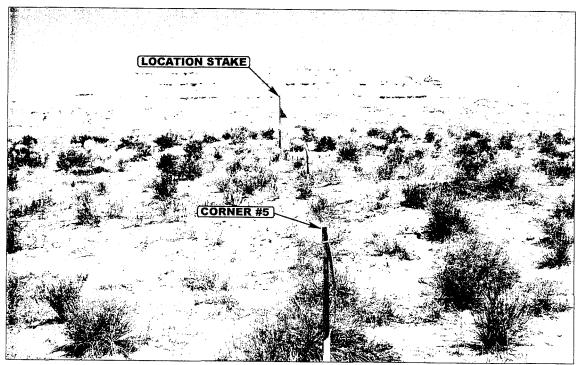


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

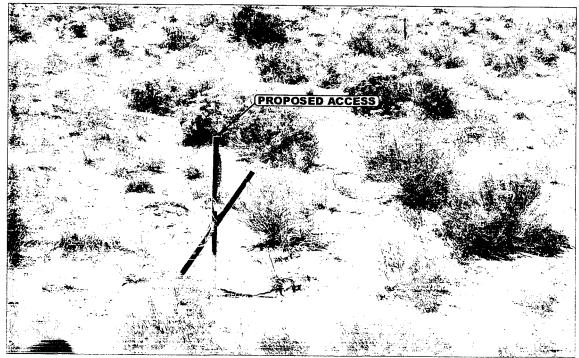


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

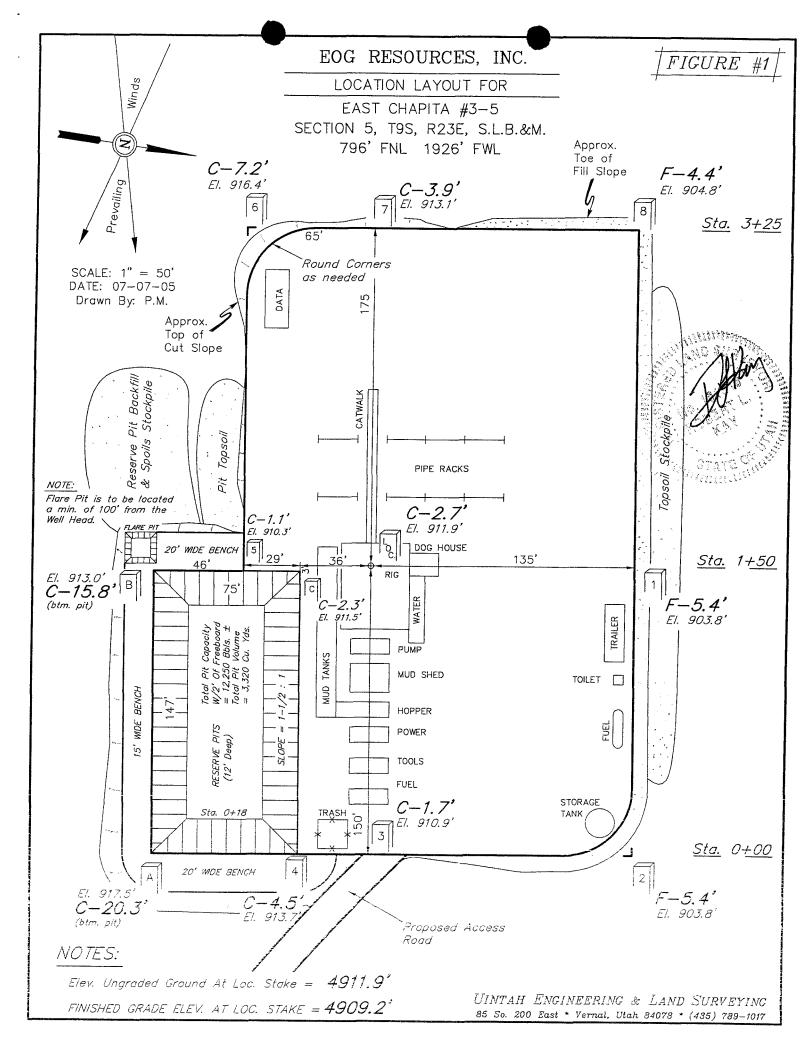
Camera angle: northwesterly

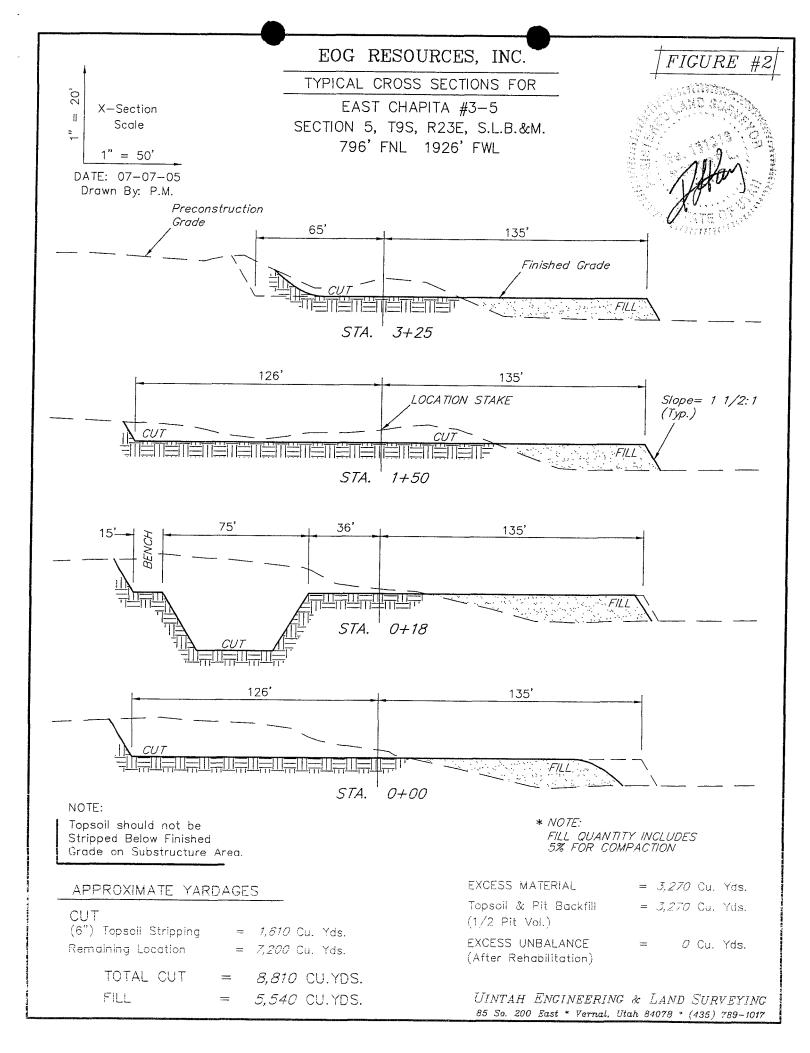


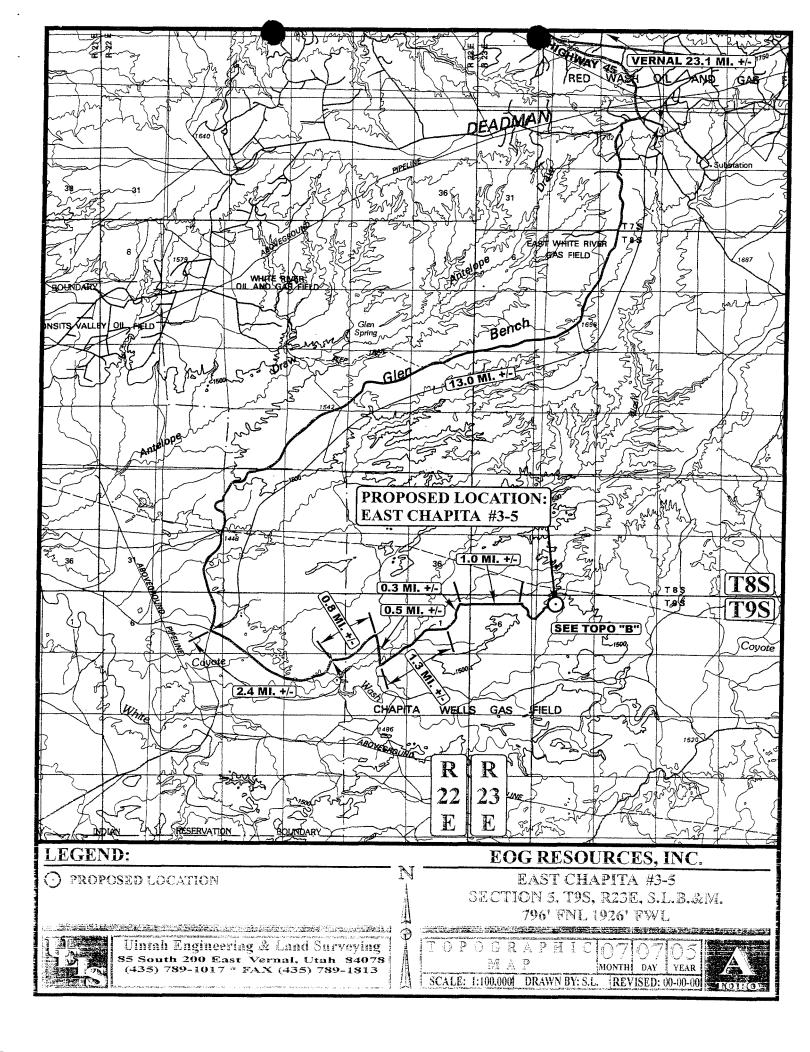
Uintah Engineering & Land Surveying

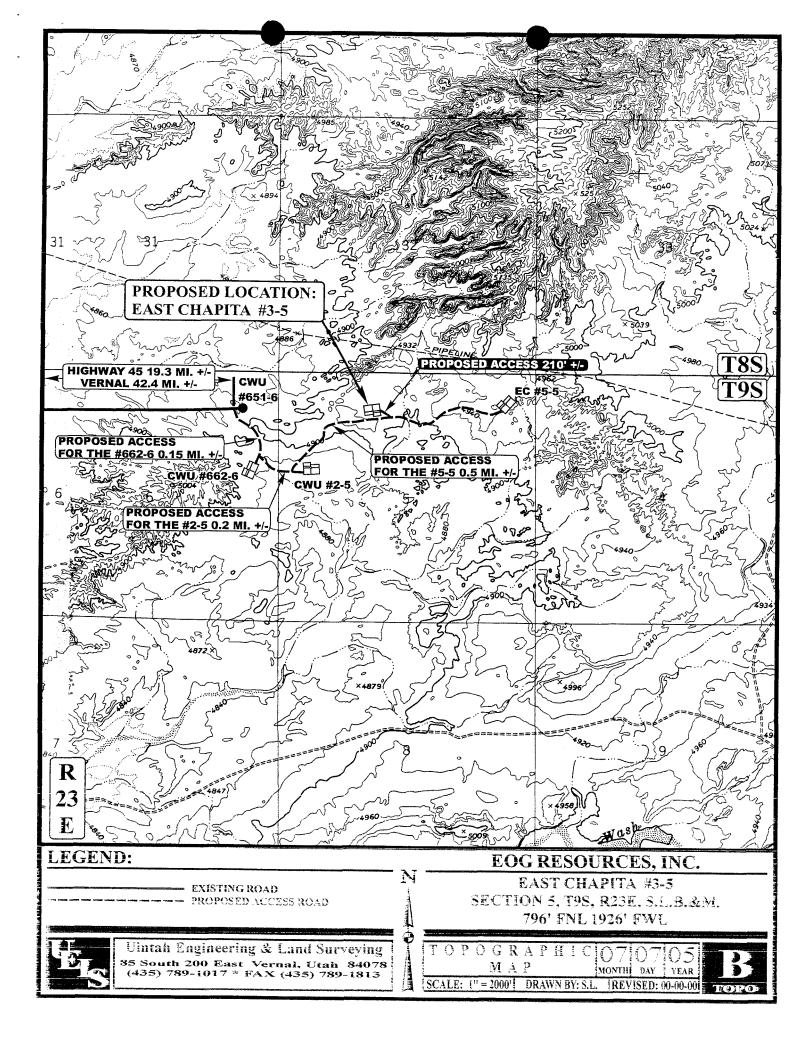
85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

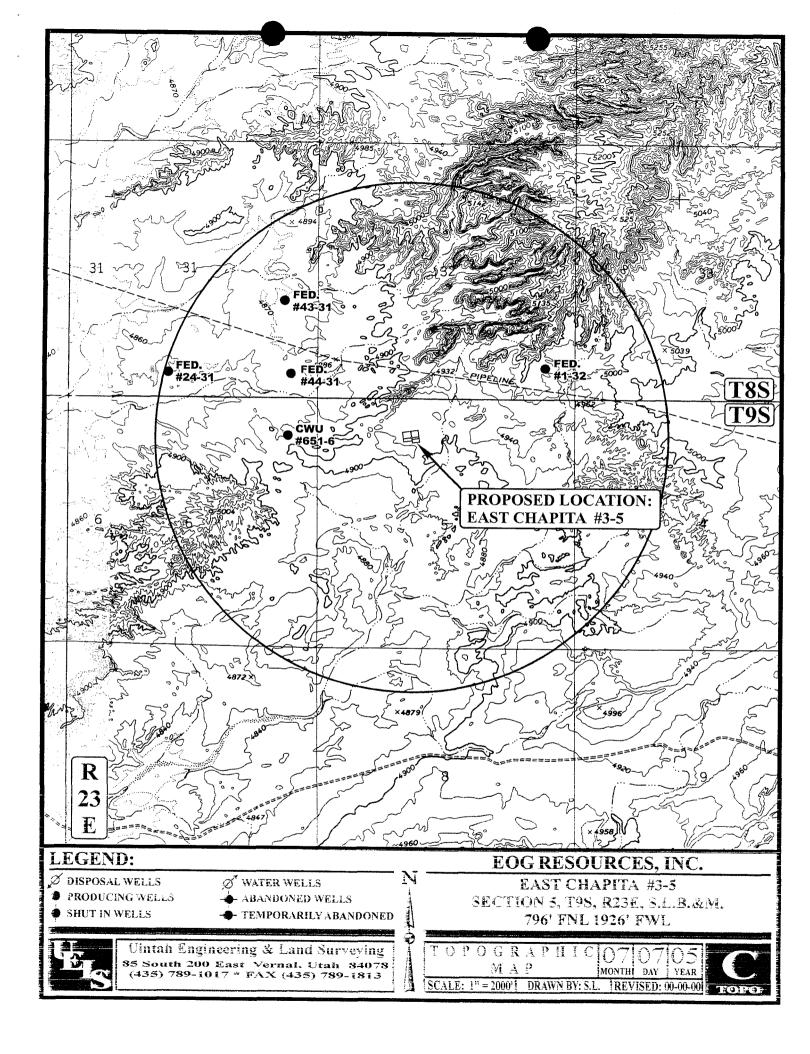
| চনটা এটিট ল'ম প্ৰিনটেটিট্ <i>ট</i> স | O7<br>month | O 7<br>Day | OS<br>Year | PH |
|--------------------------------------|-------------|------------|------------|----|
| TAKEN BY: T.B.   DRAWN BY: S.L.      | IRFV        | ISED:      | 0-00-00    | 1  |

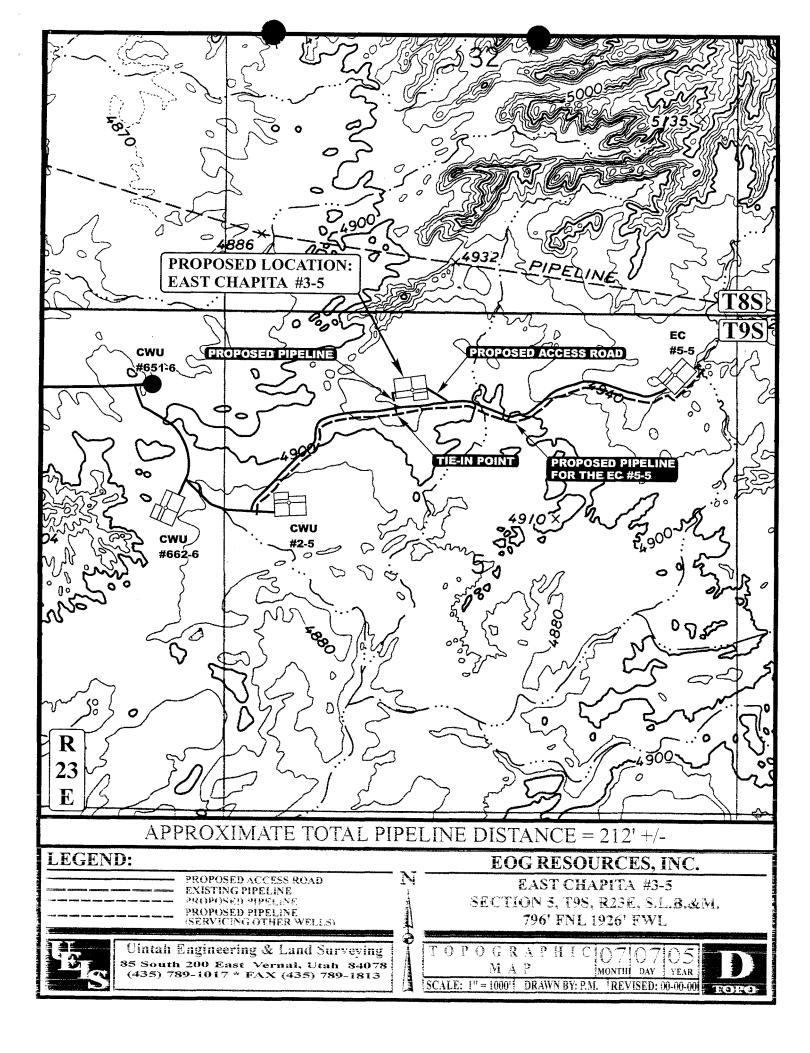




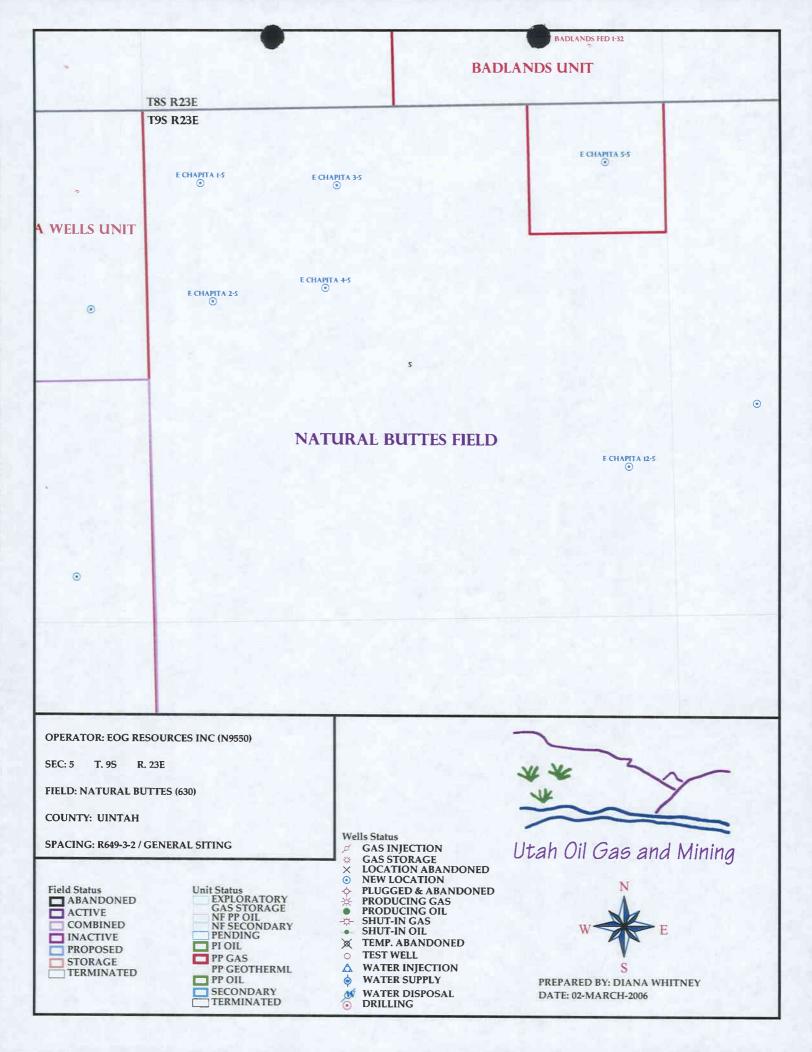








| APD RECEIVED: 02/23/2006  | API NO. ASSIG                     | NED: 43-047  | -37854       |
|---|-----------------------------------|--------------|--------------|
| WELL NAME: E CHAPITA 3-5  |                                   |              |              |
| OPERATOR: EOG RESOURCES INC ( N9550 )   | PHONE NUMBER:                     | 435-789-4120 | )            |
| CONTACT: ED TROTTER   |                                   |              |              |
| PROPOSED LOCATION:  | INSPECT LOCATN                    | BY: /        | /            |
| NENW 05 090S 230E<br>SURFACE: 0796 FNL 1926 FWL                                 | Tech Review                       | Initials     | Date         |
| BOTTOM: 0796 FNL 1926 FWL   | Engineering                       |              |              |
| COUNTY: UINTAH  | Geology                           |              |              |
| LATITUDE: 40.06982 LONGITUDE: -109.3528   | Surface                           |              |              |
| UTM SURF EASTINGS: 640471 NORTHINGS: 4436596 FIELD NAME: NATURAL BUTTES ( 630 ) | bullace                           |              |              |
| LEASE TYPE: 1 - Federal  LEASE NUMBER: U-01304  SURFACE OWNER: 1 - Federal      | PROPOSED FORMA<br>COALBED METHANI |              | 7            |
|   | CATION AND SITING:                |              |              |
|   | R649-2-3.                         |              |              |
| Bond: Fed[1] Ind[] Sta[] Fee[]  (No NM 2200                                     | it:                               |              |              |
| (No. NM-2308 )  ✓ Potash (Y/N)  | / R649-3-2. Gener                 | al           |              |
| (B) or 190-3 or 190-13  | Siting: 460 From Qt               |              | etween Wells |
| Water Permit  | R649-3-3. Excep                   | tion         |              |
| (No. 49-1501 )  RDCC Review (Y/N)   | Drilling Unit                     |              |              |
| (Date:)   | Board Cause No:                   |              |              |
| 1(1) Fee Surf Agreement (Y/N)   | Eff Date: Siting:                 |              |              |
| NA Intent to Commingle (Y/N)  |                                   | mbianal Duil |              |
|   | R649-3-11. Dire                   |              | <u> </u>     |
| COMMENTS:   |                                   |              |              |
|   |                                   |              |              |
|   |                                   |              |              |
| STIPULATIONS: 1- Code of approximation  |                                   |              |              |
|   |                                   |              |              |
|   |                                   |              |              |
|   |                                   |              |              |





State of Utah

# Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > March 2, 2006

EOG Resources, Inc P.O. Box 1815 Vernal, UT 84078

Re: <u>East Chapita 3-5 Well, 796' FNL, 1926' FWL, NE NW, Sec. 5, T. 9 South,</u>

R. 23 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37854.

Sincerely,

Gil Hunt

**Associate Director** 

Sug ZLA

mf Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

| Operator:              | EOG Resources, Inc                |            |            |  |  |
|------------------------|-----------------------------------|------------|------------|--|--|
| Well Name & Number     | ll Name & Number East Chapita 3-5 |            |            |  |  |
| API Number:            | 43-047-                           |            |            |  |  |
| Lease:                 | U-0130                            | 4          |            |  |  |
| Location: <u>NE NW</u> | <b>Sec.</b> 5                     | T. 9 South | R. 23 East |  |  |

## **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

#### 3. Reporting Requirements

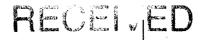
All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Form 3160-3 (April 2004)

la. Type of Work:

DRILL



FEB 2 2 2005

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

5. Lease Serial No.

| I | J_ | 0 | 1 | 3 | 0 | 4 |
|---|----|---|---|---|---|---|
|   |    |   |   |   |   |   |

If Indian, Allottee or Tribe Name

If Unit or CA Agreement, Name and No.

APPLICATION FOR PERMIT TO DRILL OR REENTER

REENTER

| lb. Type of Well: Oil Well X Gas Well Other  | er 🔀 Single Zone 🗌 Multiple Zon  |                            | ase Name and Wel                     |  |  |
|--|--|----------------------------|--------------------------------------|--|--|
| 2. Name of Operator EOG RESOURCES, INC.  |  | ١. ــ                      | PI Well No.                          | 7854   |  |
| 3a. Address P.O. BOX 1815<br>VERNAL, UT 84078  | 3b. Phone No. (Include area code) (435)789-0790  | i                          | d and Pool, or Expl                  |  |  |
| 4. Location of Well (Report location clearly and in accorda  | nce with any State requirements.*)   | 11. Sec                    | ., T., R., M., or Bl                 | c. and Survey or Area  |  |
| At surface 796' FNL, 1926' FWL At proposed prod. Zone  | NE/NW (Lot 3)  | ) SI                       | SEC. 5, T9S, R23E,<br>S.L.B.&M.      |  |  |
| 14. Distance in miles and direction from nearest town or post 43.28 MILES SOUTHEAST OF VE  |  | U                          | inty or Parish                       | 13. State UTAH   |  |
| 15. Distance from proposed* location to nearest 796' property or lease line, ft. (Also to nearest drig. Unit line, if any)   | 16. No. of Acres in lease <b>2451</b>  | 17. Spacing 40             | Unit dedicated to t                  | this well  |  |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C  | 19. Proposed Depth 9610'   |                            | 20. BLM/BIA Bond No. on file NM-2308 |  |  |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4909.2 FEET GRADED GROUND  | 22. Approximate date work will start* UPON APPROVAL  |                            | 23. Esti mated of 45 DAY             | /S   |  |
|  | 24. Attachments  |                            |                                      | RECEIVE  |  |
| <ol> <li>Attachments         The following, completed in accordance with the requirements.     </li> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Fosupo Supposed Supposed Forest Serveyor).</li> </ol> | 4. Bond to cover to (see Item 20 orest System Lands, the ice Office). 5. Operator certification of the street of t | the operations unleadove). | ess covered by an e                  | JAN 3 0 2007<br>xisting bond on file<br>DIV. OF OIL, GAS & MIN |  |
| 25. Signature / Lel (i) with   | i .  | ccepted b                  | y the Fo                             | Date<br>ebruary 13, 2006                                       |  |
| Title Agent  | Oil  | , Gas and<br>R RECOR       | Mining                               |  |  |
| Approved by (Signature)  | l l  |                            | 1<br>1<br>1                          |  |  |
| Title Asserant Field Manager   | JERRY KENCEKA Office VEI   | rnal fiel                  | DOFFICE                              | 2006   |  |
| Application approval does not warrant or certify that the appl   | licant holds legal or equitable title to those ri  | ghts in the subject        | t lease which would                  | l entitle the applicant to                                     |  |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)



Conditions of Approval, if any, are attached



# UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**



170 South 500 East

**VERNAL, UT 84078** (435) 781-4400

#### CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:

EOG Resources, Inc.

Location:

Lot 3, Sec 5, T9S, R23E

Well No:

East Chapita 3-5

Lease No:

UTU-01304

API No:

43-047-37854

Agreement:

N/A

Petroleum Engineer: Petroleum Engineer:

Matt Baker Michael Lee Jamie Sparger Office: 435-781-4490 Office: 435-781-4432 Office: 435-781-4502

Cell: 435-828-4470 Cell: 435-828-7875 Cell: 435-828-3913

Supervisory Petroleum Technician: **Environmental Scientist: Environmental Scientist:** 

Paul Buhler Karl Wright Holly Villa

Office: 435-781-4475 Office: 435-781-4484 Office: 435-781-4404

Cell: 435-828-4029

Natural Resource Specialist: Natural Resource Specialist: Natural Resource Specialist:

Melissa Hawk Scott Ackerman

Office: 435-781-4476 Office: 435-781-4437

After Hours Contact Number: 435-781-4513

Fax: 435-781-4410

#### A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.

#### NOTIFICATION REQUIREMENTS

Location Construction (Notify Paul Buhler)

Forty-Eight (48) hours prior to construction of location and access roads.

Location Completion (Notify Paul Buhler)

Prior to moving on the drilling rig.

Spud Notice

(Notify Petroleum Engineer)

Twenty-Four (24) hours prior to spudding the well.

Casing String & Cementing (Notify Jamie Sparger)

Twenty-Four (24) hours prior to running casing and cementing all casing strings

BOP & Related Equipment Tests (Notify Jamie Sparger)

Twenty-Four (24) hours prior to initiating pressure tests

First Production Notice (Notify Petroleum Engineer)

Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

Page 2 of 6 Well: East Chapita 3-5 12/20/2006

# SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
  - o 9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

Page 3 of 6 Well: East Chapita 3-5 12/20/2006

#### DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

#### SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A surface casing shoe integrity test shall be performed.
- A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored"
  - o Blooie line can be 75 feet.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

#### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

Page 4 of 6 Well: East Chapita 3-5 12/20/2006

- The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
- All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
- The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) shall the BLM need to obtain additional information.
- All shows of fresh water and minerals shall be reported and protected. A sample shall
  be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office.
  All oil and gas shows shall be adequately tested for commercial possibilities, reported,
  and protected.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field
  Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers
  until the well is completed.
- Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.
- Emergency approval may be obtained orally, but such approval does not waive the
  written report requirement. Any additional construction, reconstruction, or alterations of
  facilities, including roads, gathering lines, batteries, etc., which will result in the
  disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore
  Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field
  Office.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report
  of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in
  which operations commence and continue each month until the well is physically
  plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals
  Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800525-7922 (303) 231-3650 for reporting information.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in

Page 5 of 6 Well: East Chapita 3-5 12/20/2006

accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT\_VN\_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office
  Petroleum Engineers will be provided with a date and time for the initial meter calibration
  and all future meter proving schedules. A copy of the meter calibration reports shall be
  submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the
  API standards for liquid hydrocarbons and the AGA standards for natural gas
  measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - o Date well was placed in a producing status (date of first production for which royalty will be paid).
  - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - o The Federal or Indian lease prefix and number on which the well is located;

Page 6 of 6 Well: East Chapita 3-5 12/20/2006

- otherwise the non-Federal or non-Indian land category, i.e., State or private.
- Unit agreement and / or participating area name and number, if applicable.
- o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL)
   4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days.
   "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

| STATE OF UTAH   | FORM 9   |  |  |  |  |  |  |
|---|--|--|--|--|--|--|--|
| DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING   | 5. LEASE DESIGNATION AND SERIAL NUMBER: U-01304                  |  |  |  |  |  |  |
| SUNDRY NOTICES AND REPORTS ON WELLS   | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:                            |  |  |  |  |  |  |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 7. UNIT or CA AGREEMENT NAME:                                    |  |  |  |  |  |  |
| 1. TYPE OF WELL OIL WELL GAS WELL OTHER   | 8. WELL NAME and NUMBER:   |  |  |  |  |  |  |
| 2. NAME OF OPERATOR:  | East Chapita 3-5   |  |  |  |  |  |  |
| EOG Resources, Inc.   | 43-047-37854   |  |  |  |  |  |  |
| 3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIF 80202 PHONE NUMBER: (303) 824-552  | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Wasatch/Mesaverde |  |  |  |  |  |  |
| 4. LOCATION OF WELL   |  |  |  |  |  |  |  |
| FOOTAGES AT SURFACE: 796' FNL & 1926' FWL 40.069803 LAT 109.353453 LON  | соинту: <b>Uintah</b>  |  |  |  |  |  |  |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 5 9S 23E S  | STATE:<br>UTAH   |  |  |  |  |  |  |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, F   | REPORT, OR OTHER DATA  |  |  |  |  |  |  |
| TYPE OF SUBMISSION TYPE OF ACTION   |  |  |  |  |  |  |  |
| NOTICE OF INTENT  | REPERFORATE CURRENT FORMATION                                    |  |  |  |  |  |  |
| (Submit in Duplicate)  ALTER CASING  FRACTURE TREAT   | SIDETRACK TO REPAIR WELL   |  |  |  |  |  |  |
| Approximate date work will start: CASING REPAIR NEW CONSTRUCTION  | TEMPORARILY ABANDON  |  |  |  |  |  |  |
| CHANGE TO PREVIOUS PLANS OPERATOR CHANGE  | TUBING REPAIR  |  |  |  |  |  |  |
| CHANGE TUBING PLUG AND ABANDON  | VENT OR FLARE  |  |  |  |  |  |  |
| SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK (Submit Original Form Only)  | WATER DISPOSAL   |  |  |  |  |  |  |
| Date of work completion:  CHANGE WELL STATUS  PRODUCTION (START/RESUME)   | WATER SHUT-OFF   |  |  |  |  |  |  |
| COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE   | ✓ OTHER: APD Extension   |  |  |  |  |  |  |
| CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORM   | MATION   |  |  |  |  |  |  |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  |  |  |  |  |  |  |  |
| EOG Resources, Inc. requests the APD for the referenced well be extended for one year   | ear.   |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |
| Asserted by the   |  |  |  |  |  |  |  |
| Approved by the Utah Division of  |  |  |  |  |  |  |  |
| Oil, Gas and Mining   |  |  |  |  |  |  |  |
| Oil, Gas and mining   |  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |
| Date: 02-27-87  |  |  |  |  |  |  |  |
| E (W/O/VE)()  |  |  |  |  |  |  |  |
| By:   | of Marian  |  |  |  |  |  |  |
|   | ······································                           |  |  |  |  |  |  |
|   | COPY SENT TO OPERATOR  |  |  |  |  |  |  |
|   | Date: 2-22-07  |  |  |  |  |  |  |
|   | KIN  |  |  |  |  |  |  |
|   |  |  |  |  |  |  |  |
| NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory  | ASSISIANT  |  |  |  |  |  |  |
| M   |  |  |  |  |  |  |  |

(This space for State use only)

**RECEIVED** 

FEB 2 6 2007

#### Application for Permit to Drill Request for Permit Extension Validation

(this form should accompany the Sundry Notice requesting permit extension)

| API:                                   | 43-047-37854   |  |
|--|--|--|
| Well Name:                             | EAST CHAPITA 3-5<br>796 FNL 1926 FWL (NENW), SECTION 5, T9S, I   | R23E S.L.B.&M                                |
|  | rmit Issued to: EOG RESOURCES, INC.  |  |
|  | Permit Issued: 3/2/2006  |  |
| above, hereby                          | ned as owner with legal rights to drill on the verifies that the information as submitted lication to drill, remains valid and does no | l in the previously                          |
| Following is a verified.               | checklist of some items related to the app   | olication, which should be                   |
|  | rivate land, has the ownership changed, i<br>en updated? Yes□No□   | if so, has the surface                       |
| Have any well<br>the spacing or        | s been drilled in the vicinity of the propos siting requirements for this location? Yes  | ed well which would affect<br>s□No☑          |
| Has there bee                          | en any unit or other agreements put in pla<br>operation of this proposed well? Yes□No  | ce that could affect the<br>☑                |
| Have there be of-way, which            | een any changes to the access route inclu<br>could affect the proposed location? Yes[  | ıding ownership, or right-<br>⊐No ⊠          |
| Has the appro                          | oved source of water for drilling changed?   | Yes□No☑                                      |
| Have there be which will requestion? Y | een any physical changes to the surface leuire a change in plans from what was disc<br>es□No☑  | ocation or access route cussed at the onsite |
| Is bonding stil                        | ll in place, which covers this proposed we   | ll? Yes☑No□                                  |
| <u></u>                                | ~ M ~  | 2/22/2007                                    |
| _ <i>W\Q</i> ru ∠<br>Signature         | 1. Mana  | Date   |
| Title: REGUL                           | ATORY ASSISTANT  |  |
| Representing                           | EOG RESOURCES, INC.  | RECEIVED                                     |
|  |  | FEB 2 6 2007                                 |

Form 3160-5 (August 2007)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

### SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. UTU01304

|                 | 0110207412 142. 011. 0 011 11                |     |
|-----------------|--|-----|
| Do not use this | form for proposals to drill or to re-enter a | n   |
| abandoned well. | Use form 3160-3 (APD) for such proposa       | ls. |
|                 |  |     |

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent  | 3 U.S.C. Section 1212, make it a statements or representations as  | crime for any person<br>to any matter within                             | knowingly an                                    | d willfully to ma   | ake to any department o   | or agency of the United   |
|---|--|--|---|---|---|---|
| Conditions of approval, if any, are attache certify that the applicant holds legal or eq which would entitle the applicant to cond  | uitable title to those rights in the<br>uct operations thereon.  | e subject lease<br>Of  | ffice   |   |   |   |
| Approved By   |  |  | tle   |   | -   | Date  |
|   | THIS SPACE FO  | OR FEDERAL C   | R STATE   | OFFICE U  | SE  |   |
| Signature O Signature   | Dauh   | Dat  | te 08/27/                                       | 2007  |   |   |
| Name (Printed/Typed) KAYLENI  | R GARDNER  | Titl   | e LEAD  | REGULATOR   | RY ASSISTANT  |   |
| 14. I hereby certify that the foregoing i   | Electronic Submission #  | \$56176 verified by<br>RESOURCES, INC.                                   | the BLM We<br>, sent to the                     | ell Information<br>Vernal                                 | System  |   |
|   |  | · · · · · · · · · · · · · · · · · · ·                                    |   | $\mathcal{M}$   |   |   |
|   |  | By:  | Jeste   | Three   | - Idole -   | RM.   |
|   |  | Date: _&   | 18-3C   |   | DOM/SEN   | (IO GPERATOR  |
| Attached please find a revised  | d drilling plan.   |  | ~ <i>()</i> '>>                                 | \\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.\.                       |   |   |
| To: 9670  |  | Oil, G   | as and I  | Mining  |   |   |
| From: 9610  | I oquooto aatiioiikatio  | Úta  | h Divisio                                       | n of  |   |   |
| EOG Resources, Inc. respect   | -  | n to change. <b>#he.</b> -⊼  | D-foethle ha                                    | <b>ferlenc</b> ed wel                                     | 1 -   |   |
| 13. Describe Proposed or Completed Op<br>If the proposal is to deepen direction<br>Attach the Bond under which the wo<br>following completion of the involver<br>testing has been completed. Final A<br>determined that the site is ready for | ally or recomplete horizontally,<br>ork will be performed or provide<br>d operations. If the operation re-<br>bandonment Notices shall be fil- | give subsurface locat<br>the Bond No. on file<br>sults in a multiple cor | ions and meas<br>with BLM/BI<br>upletion or rec | sured and true ve<br>A. Required sub<br>completion in a r | rtical depths of all perti-<br>psequent reports shall be<br>new interval, a Form 31 | nent markers and zones. e filed within 30 days 60-4 shall be filed once |
|   | Convert to Injection   | ☐ Plug Bac   |   | □ Water D   |   |   |
| ☐ Final Abandonment Notice  | Change Plans   | ☐ Plug and   |   |   | arily Abandon   | _   |
| ☐ Subsequent Report   | ☐ Alter Casing ☐ Casing Repair   | ☐ Fracture ☐ New Cor   |   | ☐ Recomp  |   | Other   |
| Notice of Intent  | ☐ Acidize  | □ Deepen     □ Fracture  | Treat   | ☐ Producti  | ion (Start/Resume)  | <ul><li>☐ Water Shut-Off</li><li>☐ Well Integrity</li></ul>             |
| TYPE OF SUBMISSION  |  |  | TYPE C  | F ACTION  |   |   |
| 12. CHECK APP.  | ROPRIATE BOX(ES) TO  | O INDICATE NA  | TURE OF   | NOTICE, RE  | EPORT, OR OTHE  | ER DATA   |
| Sec 5 T9S R23E NENW 796F<br>40.06984 N Lat, 109.35277 W   | FNL 1926FWL  |  |   |   | UINTAH COUN   | NTY, UT   |
| VERNAL, UT 84078  4. Location of Well (Footage, Sec., 7   | T., R., M., or Survey Description  | <u> </u><br>   |   |   | 11. County or Parish,   | , and State   |
| 3a. Address<br>1060 EAST HIGHWAY 40   |  | 3b. Phone No. (inc<br>Ph: 435-781-91                                     |   | e)  | 10. Field and Pool, or<br>NATURAL BUT   |   |
| Name of Operator     EOG RESOURCES, INC.  | Contact:   | KAYLENE R GAR<br>ardner@eogresourc                                       |   |   | 9. API Well No.<br>43-047-37854   |   |
| Type of Well     Oil Well   | her  |  |   |   | 8. Well Name and No<br>EAST CHAPITA   |   |

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED AUG 2 9 2007

#### EAST CHAPITA 3-05 NE/NW, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

| FORMATION              | TVD-RKB (ft) | Objective | Lithology |     |
|------------------------|--------------|-----------|-----------|-----|
| Green River            | 2,030        |           | Shale     |     |
| Wasatch                | 4,958        | Primary   | Sandstone | Gas |
| Chapita Wells          | 5,605        | Primary   | Sandstone | Gas |
| Buck Canyon            | 6,272        | Primary   | Sandstone | Gas |
| North Horn             | 6,911        | Primary   | Sandstone | Gas |
| KMV Price River        | 7,389        | Primary   | Sandstone | Gas |
| KMV Price River Middle | 8,130        | Primary   | Sandstone | Gas |
| KMV Price River Lower  | 8,925        | Primary   | Sandstone | Gas |
| Sego                   | 9,456        |           | Sandstone |     |
|                        |              |           |           |     |
| TD                     | 9,670        |           |           |     |

Estimated TD: 9,670' or 200'± below Sego top

Anticipated BHP: 5,280 Psig

- 1. Fresh Waters may exist in the upper, approximately 1,000 ft  $\pm$  of the Green River Formation, with top at about 2,000 ft  $\pm$ .
- 2. Cement isolation is installed to surface of the well isolating all zones by cement.

#### 3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig BOP schematic diagrams attached.

#### 4. CASING PROGRAM:

| CASING     | Hole<br>Size | <u>Length</u>     | Size    | WEIGHT | <u>Grade</u> | <u>Thread</u> | Rating<br>Collapse | <u>Factor</u><br><u>Burst</u> | <u>Tensile</u> |
|------------|--------------|-------------------|---------|--------|--------------|---------------|--------------------|-------------------------------|----------------|
| Conductor  | 17 ½"        | 0 – 45'           | 13 3/8" | 48.0#  | H-40         | STC           | 770 PSI            | 1730 PSI                      | 322,000#       |
| Surface    | 12 ¼"        | 0 – 2,300°<br>KB± | 9-5/8"  | 36.0#  | J-55         | STC           | 2020 PSI           | 3520 Psi                      | 394,000#       |
| Production | 7-7/8"       | Surface – TD      | 4-1/2"  | 11.6#  | N-80         | LTC           | 6350 PSI           | 7780 Psi                      | 223,000#       |

Note:  $12-\frac{1}{4}$ " surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5%" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

#### All casing will be new or inspected.

# EAST CHAPITA 3-05 NE/NW, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 5. Float Equipment:

#### Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

#### Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

#### 6. MUD PROGRAM

#### Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300' $\pm$  - TD):</u> Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

#### 7. VARIANCE REQUESTS:

#### Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

#### EAST CHAPITA 3-05 NE/NW, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 8. EVALUATION PROGRAM:

**Logs:** Mud log from base of surface casing to TD.

**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:

Cement Bond / Casing Collar Locator and Pulsed Neutron

#### 9. CEMENT PROGRAM:

#### Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCI<sub>2</sub>, 3 lb/sx GR3

<sup>1</sup>/<sub>4</sub> #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** 207 sks Class "G" cement with 2% CaCl<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2

gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ½#/sk Flocele mixed at 15.6 ppg, 1.18

 $ft^3/sk.$ , 5.2 gps water.

**Note**: Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

#### Production Hole Procedure (2300'± - TD)

**Lead:** 153 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29

(cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:** 917 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13

(Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at

14.1 ppg,  $1.28 \text{ ft}^3/\text{sk.}$ , 5.9 gps water.

**Note**: The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to  $200^{\circ}\pm$  above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to  $400^{\circ}\pm$  above top of Wasatch.

#### Final Cement volumes will be based upon gauge-hole plus 45% excess.

# EAST CHAPITA 3-05 NE/NW, SEC. 3, T9S, R23E, S.L.B.&M.. UINTAH COUNTY, UTAH

#### 10. ABNORMAL CONDITIONS:

#### Surface Hole (Surface - 2300'±):

Lost circulation

#### Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

#### 11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

#### 12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS AND MINING

| CHAPITA WELLS  Current Entity Number  99999  | New Entity<br>Number<br>/3650   | QQ<br>NWSW<br>S  | Sec  | Phone N  Twp  9S  ate  007  Twp  9S  te  | Rng 22E Er // Rng 23E Ent  |  |
|--|---|--|--|--|--|--|
| Vernal  UT  We CHAPITA WELLS  Current Entity Number  99999  Wel EAST CHAPITA 3-0  Current Entity Number  99999 | New Entity Number  I Name  New Entity Number  New Entity Number   | QQ<br>NWSW<br>S  | Sec<br>25<br>Spud Da<br>11/19/20<br>Sec<br>5<br>pud Da   | Phone N  Twp  9S  ate  007  Twp  9S  te  | Rng 22E Er // Rng 23E Ent  | County UINTAH  County Assignment  Effective Date  County UINTAH  UINTAH  County UINTAH   |
| Current Entity Number 99999  Wel EAST CHAPITA 3-0 Current Entity Number 99999                                  | New Entity Number  I Name  New Entity Number  New Entity Number   | QQ<br>NENW<br>S  | Sec<br>25<br>Spud Da<br>11/19/20<br>Sec<br>5<br>pud Da   | Twp 9S ate 007 Twp 9S te   | Rng 22E Er // Rng 23E Ent  | County UINTAH  Intity Assignment  Effective Date    36/07  County  UINTAH  tity Assignment   |
| Current Entity Number 99999  Wel EAST CHAPITA 3-0 Current Entity Number 99999                                  | New Entity Number  I Name  New Entity Number  New Entity Number   | QQ<br>NENW<br>S  | Sec<br>25<br>Spud Da<br>11/19/20<br>Sec<br>5<br>pud Da   | Twp 9S ate 007 Twp 9S te   | Rng 22E Er // Rng 23E Ent  | County UINTAH  Intity Assignment  Effective Date    36/07  County  UINTAH  tity Assignment   |
| CHAPITA WELLS  Current Entity Number  99999  Wel  EAST CHAPITA 3-0  Current Entity Number  99999               | New Entity Number  13650  I Name  New Entity Number   | QQ<br>NENW<br>S  | Sec<br>25<br>Spud Da<br>11/19/20<br>Sec<br>5<br>pud Da   | Twp 9S ate 007 Twp 9S te   | Rng 22E Er // Rng 23E Ent  | County UINTAH  Intity Assignment  Effective Date    36/07  County  UINTAH  tity Assignment   |
| CHAPITA WELLS  Current Entity Number  99999  Wel  EAST CHAPITA 3-0  Current Entity Number  99999               | New Entity Number  13650  I Name  New Entity Number   | QQ<br>NENW<br>S  | Sec 5 pud Da   | 9S ate 007 Twp 9S te   | 22E Er // Rng 23E Ent  | UINTAH  Intity Assignment  Effective Date    36/07  County  UINTAH  tity Assignment  |
| Current Entity Number 99999  Wel EAST CHAPITA 3-0 Current Entity Number 99999                                  | New Entity Number  /3650  I Name  New Entity Number   | QQ<br>NENW<br>S  | Sec 5 pud Da   | 9S ate 007 Twp 9S te   | 22E Er // Rng 23E Ent  | UINTAH  Intity Assignment  Effective Date    36/07  County  UINTAH  tity Assignment  |
| Number 99999  Wel EAST CHAPITA 3-0 Current Entity Number 99999   | Number 13650  I Name  New Entity Number   | QQ<br>NENW<br>S  | Spud Da  | Twp 9S   | Rng<br>23E   | County UINTAH tity Assignment  |
| Wel EAST CHAPITA 3-0 Current Entity Number 99999   | I Name  5  New Entity Number  | QQ<br>NENW<br>S  | Sec<br>5<br>pud Da   | Twp<br>9S<br>te  | Rng<br>23E   | County UINTAH tity Assignment  |
| EAST CHAPITA 3-0 Current Entity Number 99999   | I Name  5  New Entity Number  | QQ<br>NENW<br>S  | Sec<br>5<br>pud Da   | Twp<br>9S<br>te  | 23E<br>Ent   | UINTAH tity Assignment   |
| Current Entity Number 99999  | New Entity<br>Number  | NENW   | 5<br>pud Da  | 9S<br>te   | 23E<br>Ent   | UINTAH tity Assignment   |
| Current Entity Number 99999  | New Entity<br>Number  | NENW   | 5<br>pud Da  | 9S<br>te   | 23E<br>Ent   | UINTAH tity Assignment   |
| Current Entity<br>Number<br>99999  | New Entity<br>Number  | S  | pud Da   | te   | Ent  | tity Assignment  |
| <b>Number</b><br>99999   | Number  |  |  |  | Ent<br>E   | tity Assignment Effective Date   |
|  | 16496   | 1  | 1/16/200   | 07   | 11/  | 26/07  |
| = MVRD   |   |  |  |  |  | 44101  |
|  |   | <del></del>  |  |  |  |  |
| Well   | Name  | QQ   | S 1  |  | <del></del> ,  |  |
| CHAPITA WELLS UN   |   | SENW   | Sec  | Twp  | Rng  | County   |
| Current Entity<br>Number   | New Entity<br>Number  | <del> </del>   | 7<br>oud Date  | 9S<br>•  | 23E<br>Enti  | UINTAH<br>ity Assignment   |
| 99999  |   | 11   | /14/200  | <del></del>  | <u></u>  | ffective Date  |
|  | Di  |  |  |  | 11/14  | 1/07 Seebn   |
| existing entity (group or under the form one existing entity to  | another existing entity a new entity  RECEIVED  | Name<br>Signati  | Pleasé P   | rint)  | stant  | 11/19/2007<br>Date   |
|  | entity for new well (single volume) existing entity (group or use from one existing entity to from one existing entity to | entity for new well (single well only) be existing entity (group or unit well) from one existing entity to another existing entity from one existing entity to a new entity in 'comments' section)  RECEIVED | entity for new well (single well only)  Descripting entity (group or unit well)  From one existing entity to another existing entity  From one existing entity to a new entity | entity for new well (single well only)  Descripting entity (group or unit well)  From one existing entity to another existing entity  From one existing entity to a new entity  FRECEIVED  Title | entity for new well (single well only)  exercise per service of the service of th | entity for new well (single well only)  Dexisting entity (group or unit well)  From one existing entity to another existing entity  from one existing entity to a new entity  FRECEIVED  Kaylene R. Gardner  Name (Pleasé Print)  Name (Pleasé Print)  RECEIVED  Kaylene R. Gardner  Name (Pleasé Print)  Lead Regulatory Assistant  Title |

| _ |               |
|---|---------------|
|   | Form 3160-5   |
|   | (August 2007) |

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPROVED         | ) |
|-----------------------|---|
| OMB NO. 1004-013      | 5 |
| Expires: July 31, 201 | 1 |

| SUNDRY<br>Do not use thi<br>abandoned wel   | Lease Serial No.     UTU01304     If Indian, Allottee or Tribe Name  |  |  |                                |   |   |
|---|--|--|--|--------------------------------|---|---|
| SUBMIT IN TRI   | 7. If Unit or CA/Agreement. Name and/or No.  |  |  |                                |   |   |
| Type of Well  | 8. Well Name and No.<br>EAST CHAPITA 3   | 3-5  |  |                                |   |   |
| Name of Operator     EOG RESOURCES, INC.  |  | 9. API Well No.<br>43-047-37854                        |  |                                |   |   |
| 3a. Address<br>1060 EAST HIGHWAY 40<br>VERNAL, UT 84078   | 10. Field and Pool, or<br>NATURAL BUT  |  |  |                                |   |   |
| 4. Location of Well (Footage, Sec., T   | 11. County or Parish,  | and State  |  |                                |   |   |
| Sec 5 T9S R23E NENW 796F<br>40.06980 N Lat, 109.35345 W   |  |  |  |                                | UINTAH COUN   | TY, UT  |
| 12. CHECK APPE  | ROPRIATE BOX(ES) TO  | O INDICATE   | NATURE OF                                | NOTICE, R                      | EPORT, OR OTHE                                      | R DATA  |
| TYPE OF SUBMISSION  |  |  | TYPE                                     | OF ACTION                      |   |   |
| ☐ Notice of Intent  | ☐ Acidize  | □ Dee  | □ Deepen □ P                             |                                | tion (Start/Resume)                                 | ■ Water Shut-Off                                |
| _   | ☐ Alter Casing   | ☐ Frac   | ☐ Fracture Treat                         |                                | nation  | ■ Well Integrity                                |
| Subsequent Report   | Casing Repair  | □ New  | Construction                             | □ Recom                        | plete   | <b>⊠</b> Other                                  |
| ☐ Final Abandonment Notice  | ☐ Change Plans   | Plug   | g and Abandon                            | □ Tempo                        | rarily Abandon                                      | Well Spud                                       |
|   | g Back   | ■ Water  | Disposal                                 |                                |   |   |
| If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Attachermined that the site is ready for f  EOG Resources, Inc. spud the   | rk will be performed or provide operations. If the operation re bandonment Notices shall be fil inal inspection.)  e referenced well 11/16/2   | the Bond No. or<br>sults in a multipled only after all | n file with BLM/B<br>e completion or re  | IA. Required secompletion in a | ibsequent reports shall be new interval, a Form 316 | filed within 30 days<br>0-4 shall be filed once |
|   | Electronic Submission For EOG I  | #57181 verified<br>RESOURCES,                          | INC., sent to th                         | e Vernal                       |   |   |
| Name (Printed/Typed) KAYLENE  | H GARDNER  |  | Title LEAD                               | HEGULATO                       | PRY ASSISTANT                                       |   |
| Signature Out Plectron  | Janus John State Communication of the Communication |  | Date 11/19                               | /2007                          |   |   |
| / V   | THIS SPACE FO  | OR FEDERA  | L OR STAT                                | E OFFICE U                     | JSE   |   |
| Approved By   |  |  | Title                                    |                                |   | Date  |
| Conditions of approval, if any, are attache certify that the applicant holds legal or eq which would entitle the applicant to conduct the conduction of the | uitable title to those rights in the<br>act operations thereon.  | e subject lease  | Office                                   |                                |   |   |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent  | U.S.C. Section 1212, make it a   | crime for any post to any matter w                     | erson knowingly a ithin its jurisdiction | nd willfully to r              | nake to any department or                           | agency of the United                            |

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITED

NOV 2 1 2007

Form 3160-5 (August 2007)

### DEP

| UNITED STATES            |  |
|--------------------------|--|
| PARTMENT OF THE INTERIOR |  |
| REAU OF LAND MANAGEMENT  |  |

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

| BI   | UREAU OF LAND MANAO  | GEMENT   |  |  |   | ,   |  |
|--|--|--|--|--|---|---|--|
| SUNDRY   | NOTICES AND REPOR  | RTS ON W   |  |  | 5. Lease Serial No.<br>UTU01304   |   |  |
| Do not use thi<br>abandoned wei  | is form for proposals to<br>II. Use form 3160-3 (APE   | drill or to re<br>D) for such p  | enter an<br>Proposals.   |  | 6. If Indian, Allottee o  | r Tribe Name  |  |
| SUBMIT IN TRI  | PLICATE - Other instruc  | tions on rev   | erse side.   |  | 7. If Unit or CA/Agree  | ement Name and/or No.   |  |
| Type of Well     Oil Well  | ner  |  | ·  |  | 8. Well Name and No.<br>EAST CHAPITA 3  | 3-5   |  |
| 2. Name of Operator<br>EOG RESOURCES, INC.   | Contact:  <br>E-Mail: kaylene ga   |  | 9. API Well No.<br>43-047-37854  |  |   |   |  |
| 3a. Address<br>1060 EAST HIGHWAY 40<br>VERNAL, UT 84078  |  | . (include area code<br>11-9111  | )  | 10. Field and Pool, or<br>NATURAL BUT  |   |   |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)   |  |  |  |  | 11. County or Parish,   | and State   |  |
| Sec 5 T9S R23E NENW 796F<br>40.06980 N Lat, 109.35345 W  |  |  |  |  | UINTAH COUN   | TY, UT  |  |
| 12. CHECK APPE   | ROPRIATE BOX(ES) TO  | INDICATE   | NATURE OF I  | NOTICE, R  | EPORT, OR OTHE  | R DATA  |  |
| TYPE OF SUBMISSION   | ТҮРЕ О   | F ACTION   |  |  |   |   |  |
| Notice of Intent   | ☐ Acidize  | ☐ Dee  | pen  | ☐ Produc   | tion (Start/Resume)   | ☐ Water Shut-Off  |  |
| _  | ☐ Alter Casing   | ☐ Frac   | cture Treat  |  | ation   | ☐ Well Integrity  |  |
| ☐ Subsequent Report  | ☐ Casing Repair  | _  | Construction   | ☐ Recomplete ☐ Other   |   |   |  |
|  |  | g and Abandon  |  | rarily Abandon   |   |   |  |
| 13. Describe Proposed or Completed Ope   | Convert to Injection   | Plug   |  | ■ Water I  |   | inner dinneting thomas  |  |
| If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final Ab determined that the site is ready for fi  EOG Resources, Inc. requests   | ally or recomplete horizontally, and will be performed or provide a loperations. If the operation respondonment Notices shall be file final inspection.) | give subsurface<br>the Bond No. or<br>sults in a multipled<br>and only after all | locations and measurable with BLM/BIA le completion or recorded requirements, included | ured and true vol.  A. Required su ompletion in a ding reclamation   | ertical depths of all pertir<br>bsequent reports shall be<br>new interval, a Form 316<br>on, have been completed, | ent markers and zones.<br>filed within 30 days<br>0-4 shall be filed once |  |
| to any of the following location  1. Natural Buttes Unit 21-20B  2. Chapita Wells Unit 550-30 S  3. Chapita Wells Unit 2-29 SW  4. Red Wash Pits 1, 2, 3 & 4  5. RN Industries  EOG Resources, Inc. operates   | SWD<br>SWD<br>VD   | #2308  | Ac<br>Ut;<br>Oil, C<br>FOR R   | Cepted Lah Division and International Control (International Control | Oy the<br>On of<br>Mining<br>ONLY   |   |  |
| 14. I hereby certify that the foregoing is   | Electronic Submission #  | 57187 verified<br>RESOURCES,   | by the BLM Wel   | I Information<br>Vernal  | n System  |   |  |
| Name (Printed/Typed) KAYLENE   | R GARDNER  |  | Title LEAD F   | REGULATO   | RY ASSISTANT  |   |  |
| Signature O Questionid   | Daysh  |  | Date 11/19/2   | 2007   |   |   |  |
|  | THIS SPACE FO  | R FEDERA   | L OR STATE   | OFFICE U   | SE  |   |  |
| Approved By  |  |  | Title  |  |   | Date  |  |
| Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conductive transfer of the conductive trans | uitable title to those rights in the   | not warrant or<br>subject lease  | Office   |  |   |   |  |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Form 3160-5 (August 2007)

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

| FORM APPROVEI         |
|-----------------------|
| OMB NO. 1004-013      |
| Expires: July 31, 201 |

5. Lease Serial No.

| SUNDRY<br>Do not use thi<br>abandoned we  |   | 6. If Indian, Allottee or Tribe Name  |   |   |  |   |                                      |  |   |  |
|---|---|---|---|---|--|---|--------------------------------------|--|---|--|
| SUBMIT IN TRI   | PLICATE - Other instruc   | tions on rev  | erse side.  |   | 7. If Unit   | or CA/Agreen  | nent, Nar                            | me and/or No.                                |   |  |
| Type of Well     Oil Well   | ner   |   |   |   |  | 8. Well Name and No.<br>EAST CHAPITA 3-05             |                                      |  |   |  |
| Name of Operator     EOG RESOURCES INC  | Contact:<br>E-Mail: mary_mae:   | MARY A. MA<br>stas@eogreso  |   |   |  | 9. API Well No.<br>43-047-37854                       |                                      |  |   |  |
| 3a. Address<br>600 17TH STREET SUITE 10<br>DENVER, CO 80202   | 00N   | 3b. Phone No<br>Ph: 303-82  | . (include area co<br>4-5526  | ode)  |  | and Pool, or E<br>JRAL BUTT                           |                                      | ry<br>ASATCH/MV                              |   |  |
| 4. Location of Well (Footage, Sec., T   | ., R., M., or Survey Description  | )   |   |   | 11. Coun   | ty or Parish, ar                                      | d State                              |  | _ |  |
| Sec 5 T9S R23E NENW 796F<br>40.06980 N Lat, 109.35345 W   |   |   |   |   | UINT   | AH COUNT  | Y, UT                                |  |   |  |
| 12. CHECK APPI  | ROPRIATE BOX(ES) TO   | ) INDICATE  | NATURE O  | F NOTICE  | , REPORT, C  | OR OTHER  | DATA                                 |  |   |  |
| TYPE OF SUBMISSION  |   |   | TYPE  | OF ACTIO  | N  |   |                                      |  |   |  |
| Notice of Intent     ■     Notice of Intent     Notice of Inten | ☐ Acidize   | Dee   | pen   | ☐ Pro   | duction (Start/I   | Resume)   | ■ Wat                                | ter Shut-Off                                 |   |  |
| _   | ☐ Alter Casing  | ☐ Fracture Treat ☐ Recla  |   |   | lamation   |   | ☐ Wel                                | ll Integrity                                 |   |  |
| ☐ Subsequent Report   | □ Casing Repair   | ■ Nev   | Construction  | _   | omplete  |   | Oth                                  | er   |   |  |
| ☐ Final Abandonment Notice  | ☐ Change Plans  | □ Plug  | and Abandon   | _   | nporarily Aban   | don   |                                      |  |   |  |
|   | ☐ Convert to Injection  | □ Plug  | ; Back  | ☐ Wat   | ter Disposal   |   |                                      |  |   |  |
| 13. Describe Proposed or Completed Ope<br>If the proposal is to deepen directions<br>Attach the Bond under which the wor<br>following completion of the involved<br>testing has been completed. Final At<br>determined that the site is ready for fi  | ally or recomplete horizontally,<br>it will be performed or provide<br>operations. If the operation respondent Notices shall be file<br>inal inspection.) | give subsurface<br>the Bond No. or<br>sults in a multipled<br>ed only after all | locations and me<br>n file with BLM/I<br>e completion or r<br>requirements, inc | asured and true BIA. Require recompletion is cluding reclam | ue vertical depths<br>d subsequent rep<br>in a new interval<br>nation, have been | s of all pertines<br>orts shall be fi<br>a Form 3160- | nt marker<br>led withi<br>-4 shall b | rs and zones.<br>in 30 days<br>be filed once |   |  |
| EOG Resources, Inc. requests<br>Mesaverde formations in the r<br>necessary, the allocation will to<br>logs. Production from the Was<br>produced through open-ended<br>casing.   | referenced wellbore. In the<br>be based on proportionate<br>satch and Mesaverde form  | e event alloca<br>e net pay as c<br>nations will be                             | ation of product<br>alculated from<br>a comminaled                              | ction is<br>n cased-hol<br>in the wellt                     | le<br>bore and   |   |                                      |  |   |  |
| Attached is a map showing the   | e location of all wells on c  | ontiguous oil   | and gas lease   | es or drilling  | 9  | COPY SENT   | TO OF                                | PERATOR                                      |   |  |
| units and an affidavit showing oil and gas leases or drilling u   | that this application has t<br>nits overlying the pool.   | peen provided   | to owners of  | all contigu   | ous  | Date: 4   | 14.2                                 | 2008   |   |  |
|   |   |   |   |   |  | Initials:   | <u>165</u>                           | <u>&gt;</u>                                  |   |  |
| 14. I hereby certify that the foregoing is  | Electronic Submission #   |   | I by the BLM W<br>INC, sent to th   |   | tion System  |   |                                      |  | _ |  |
| Name(Printed/Typed) MARY A.   | MAESTAS   |   | Title REG   | ULATORY   | ASSISTANT  |   |                                      |  |   |  |
| Signature MulEjectronick  | Submission of la-   |   | Date 03/19  | 9/2008  | =  |   |                                      |  |   |  |
|   | THIS SPACE FO   | OR FEDERA   | L OR STAT   | E OFFICE  | USE  |   |                                      |  |   |  |
| <u> </u>  |   |   |   | . Ly the  |  |   |                                      |  |   |  |

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

\_Approved By

Utah Division of DimGas and Mining

Federal Approval Of This

V department or agency of the United

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and will your States any false, fictitious or fraudulent statements or representations as to any parts on it is in its distance.

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* MAR 2 1 2008

) ss

#### COUNTY OF DENVER)

#### VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant of EOG Resources, Inc., of Denver, Colorado. EOG Resources, Inc. is the operator of the following described well:

#### East Chapita 3-05 796' FNL – 1926' FWL (NENW) SECTION 5, T9S, R23E UINTAH COUNTY, UTAH

EOG Resources, Inc., and Encana Oil & Gas (USA) Inc., Exhibit A, are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 19<sup>th</sup> day of March, 2008 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, and Encana Oil & Gas (USA) Inc.

Further affiant saith not.

Mary A. Maestas Regulatory Assistant

Subscribed and sworn before me this 19<sup>th</sup> day of March, 2008.

Notary Public

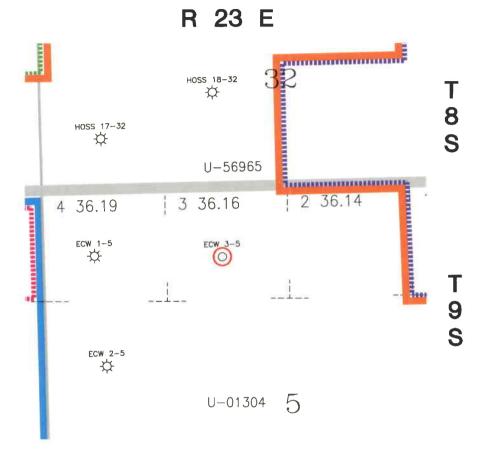
My Commission Expires:

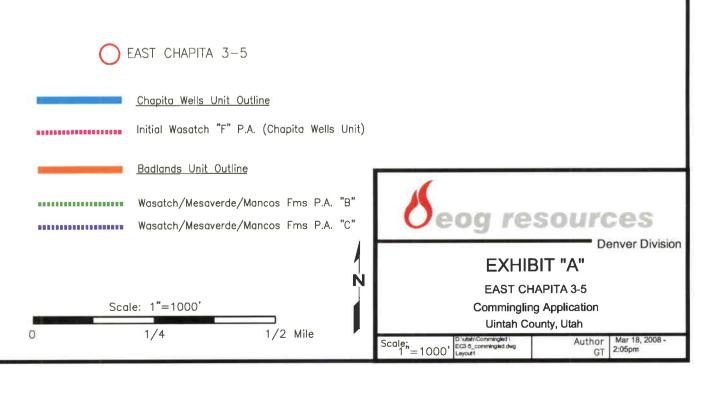
ERIN S. HAWKINS
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires 08/31/2011

# Exhibit "A" to Affidavit East Chapita 3-05 Application to Commingle

Encana Oil & Gas (USA) Inc. 370 17th Street, Suite 1700 Denver, Colorado 80202 Attn: Mr. Barrett Brannon





## NOTICE OF LATE REPORTING DRILLING & COMPLETION INFORMATION

Utah Oil and Gas Conservation General Rule R649-3-6 states that,

Operators shall submit monthly status reports for each drilling well (including wells where drilling operations have been suspended).

Utah Oil and Gas Conservation General Rule R649-3-21 states that,

- A well is considered completed when the well has been adequately worked to be capable of producing oil or gas or when well testing as required by the division is concluded.
- Within 30 days after the completion or plugging of a well, the following shall be filed:
  - Form 8, Well Completion or Recompletion Report and Log
  - · A copy of electric and radioactivity logs, if run
  - · A copy of drillstem test reports,
  - A copy of formation water analyses, porosity, permeability or fluid saturation determinations
  - · A copy of core analyses, and lithologic logs or sample descriptions if compiled
  - A copy of directional, deviation, and/or measurement-while-drilling survey for each horizontal well

Failure to submit reports in a timely manner will result in the issuance of a Notice of Violation by the Division of Oil, Gas and Mining, and may result in the Division pursuing enforcement action as outlined in Rule R649-10, Administrative Procedures, and Section 40-6-11 of the Utah Code.

| As of the mailing of this notice, the division ha  | as not received the required rep | orts for          |
|--|----------------------------------|-------------------|
| Operator: EOG Resources, Inc.  | Today's Date:                    | 04/21/2008        |
| Well: 43 047 37854<br>E Chapita 3-5<br>9S 23E 5  | API Number: Dri                  | illing Commenced: |
| ✓ List Attached  |                                  |                   |
| To avoid compliance action, required reports Utah Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 P.O. Box 145801 | should be mailed within 7 busir  | ness days to:     |
| Salt Lake City, Utah 84114-5801  |                                  |                   |
| If you have questions or concerns regarding t at (801) 538-5260  | this matter, please contact Rach | nel Medina        |

Well File Compliance File

CC:

### NOTICE OF LATE REPORTING DRILLING & COMPLETION INFORMATION

#### **ATTACHMENT**

| Operator: | EOG Resources, Inc. | <br>Today's Date: | 04/21/2008 |  |
|-----------|---------------------|-------------------|------------|--|
| •         |                     | <br>•             |            |  |

| Well:           | API Number: | Drilling Commenced: |
|-----------------|-------------|---------------------|
| CWU 1362-32     | 4304739294  | 10/20/2007          |
| NBU 563-19E     | 4304737537  | 10/28/2007          |
| CWU 1043-23     | 4304737877  | 11/01/2007          |
| NBU 456-2E      | 4304736053  | 11/06/2007          |
| CWU 1093-27     | 4304738603  | 11/13/2007          |
| E Chapita 3-5   | 4304737854  | 11/16/2007          |
| E Chapita 44-05 | 4304738138  | 11/17/2007          |
| CWU 1079-25     | 4304737879  | 11/20/2007          |
| Hoss 13-31      | 4304738674  | 11/25/2007          |
| Hoss 79-19      | 4304738952  | 11/30/2007          |
| E Chapita 4-5   | 4304737853  | 12/01/2007          |
| CWU 689-33      | 4304737494  | 12/12/2007          |
| Hoss 46-29      | 4304738726  | 12/15/2007          |

Form 3160-5 (August 2007)

### **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPROV         | Εľ |
|---------------------|----|
| OMB NO. 1004-0      | 13 |
| Expires: July 31, 2 | 01 |

SUNDRY NOTICES AND REPORTS ON WELLS

5. Lease Serial No. UTU01304

|  | is form for proposals to drill  |   |                         | 01001007   |                       |  |  |  |
|--|---|---|-------------------------|--|-----------------------|--|--|--|
| abandoned we   | Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. |   |                         |  |                       |  |  |  |
| SUBMIT IN TRI  | PLICATE - Other instructions  | on reverse side.  |                         | 7. If Unit or CA/Agree                                       | ment, Name and/or No. |  |  |  |
| Type of Well     Oil Well  | 8. Well Name and No.<br>EAST CHAPITA 3-05   |   |                         |  |                       |  |  |  |
| Name of Operator     EOG RESOURCES, INC  | Contact: MARY<br>E-Mail: mary_maestas@  | Y A. MAESTAS<br>eogresources.com                                |                         | 9. API Well No.<br>43-047-37854                              |                       |  |  |  |
| 3a. Address<br>600 17TH STREET SUITE 10<br>DENVER, CO 80202  |   | Phone No. (include area code)<br>303-824-5526                   | )                       | 10. Field and Pool, or Exploratory NATURAL BUTTES/WASATCH/MV |                       |  |  |  |
| 4. Location of Well (Footage, Sec., T  | ., R., M., or Survey Description)   |   |                         | 11. County or Parish, a                                      | nd State              |  |  |  |
| Sec 5 T9S R23E NENW 796F<br>40.06980 N Lat, 109.35345 W  |   |   |                         | UINTAH COUNT   | ΓΥ, UT                |  |  |  |
| 12. CHECK APPI   | ROPRIATE BOX(ES) TO IND   | ICATE NATURE OF 1   | NOTICE, R               | EPORT, OR OTHER  | R DATA                |  |  |  |
| TYPE OF SUBMISSION   |   | TYPE OI   | F ACTION                | ****   |                       |  |  |  |
| ☐ Notice of Intent   | ☐ Acidize   | □ Deepen  | □ Product               | ion (Start/Resume)   | ■ Water Shut-Off      |  |  |  |
| _  | Alter Casing  | ☐ Fracture Treat  | Reclam                  | ation  | ■ Well Integrity      |  |  |  |
| ☐ Subsequent Report  | Casing Repair   | ■ New Construction  | ☐ Recomp                | plete  | Other                 |  |  |  |
| ☐ Final Abandonment Notice   | Change Plans  | □ Plug and Abandon  | ☐ Tempor                | arily Abandon  | Drilling Operations   |  |  |  |
|  | □ Convert to Injection  | □ Plug Back   | g Back                  |  |                       |  |  |  |
| testing has been completed. Final Abdetermined that the site is ready for fi   | •   | a multiple completion of recc<br>after all requirements, includ | ing reclamatio          | new interval, a Form 3100 n, have been completed, a          | nd the operator has   |  |  |  |
| 14. I hereby certify that the foregoing is   | Electronic Submission #59939  | verified by the BLM Well<br>JRCES, INC, sent to the             | l Information<br>Vernal | System   |                       |  |  |  |
| Name(Printed/Typed) MARY A.  | MAESTAS   | Title REGUL   | ATORY AS                | SISTANT  |                       |  |  |  |
| Signature Magagroni (  | Abmission action  | Date 04/29/2  | 008                     |  |                       |  |  |  |
|  | THIS SPACE FOR FE   | DERAL OR STATE  | OFFICE U                | SE   |                       |  |  |  |
| Approved By  |   | Title   |                         |  | Date                  |  |  |  |
| Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conduction of th | litable title to those rights in the subjec   | urrant or   |                         |  |                       |  |  |  |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent   |   |   |                         | ake to any department or a                                   | agency of the United  |  |  |  |

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* APR 3 0 2008

#### WELL CHRONOLOGY REPORT

Report Generated On: 04-29-2008

| ECW 003-05               | Well Type  | DEVG  | Division  | DENVER   |
|--------------------------|--|---|---|--|
| CHAPITA DEEP             | API#   | 43-047-37854  | Well Class  | COMP   |
| UINTAH, UT               | Spud Date  | 03-28-2008  | Class Date  |  |
| N                        | TVD/MD   | 9,670/ 9,670  | Property #  | 056060   |
| 0                        | Last CSG   | 4.5   | Shoe TVD / MD   | 9,662/ 9,662   |
| 4,928/ 4,909             |  |   |   |  |
| Section 5, T9S, R23E, NI | ENW, 796 FNL & 1926                                  | FWL   |   |  |
|                          | CHAPITA DEEP<br>UINTAH, UT<br>N<br>0<br>4,928/ 4,909 | CHAPITA DEEP  UINTAH, UT  Spud Date  N  TVD / MD  Last CSG  4,928/4,909 | CHAPITA DEEP API # 43–047–37854  UINTAH, UT Spud Date 03–28–2008  N TVD / MD 9,670/ 9,670  0 Last CSG 4.5 | CHAPITA DEEP API # 43-047-37854 Well Class  UINTAH, UT Spud Date 03-28-2008 Class Date  N TVD / MD 9,670/ 9,670 Property #  0 Last CSG 4.5 Shoe TVD / MD  4,928/ 4,909 |

DRILL & COMPLETE

| Operator       | EO      | G RESOURC | ES, INC         | WI %         | 100    | 0.0        |     | NRI %    |         | 84.75          |                |
|----------------|---------|-----------|-----------------|--------------|--------|------------|-----|----------|---------|----------------|----------------|
| AFE No         |         | 303267    |                 | AFE Total    |        | 2,102,900  |     | DHC/0    | CWC     | 956,           | 100/ 1,146,800 |
| Rig Contr      | TRU     | E         | Rig Name        | e TRUE #3-   | 4      | Start Date | 04- | -25-2006 | Release | Date           | 04052008       |
| 04-25-2006     | Re      | ported By | SI              | HARON WHITLO | CK     |            |     |          |         |                |                |
| DailyCosts: Da | rilling | \$0       |                 | Compl        | letion | \$0        |     | Dail     | y Total | \$0            |                |
| Cum Costs: D   | rilling | \$0       |                 | Compl        | letion | \$0        |     | Well     | l Total | \$0            |                |
| MD             | 0       | TVD       | 0               | Progress     | 0      | Days       | 0   | MW       | 0.0     | Viso           | 0.0            |
| Formation:     |         |           | <b>PBTD</b> : 0 | 0.0          |        | Perf:      |     |          | PKR D   | <b>epth:</b> 0 | .0             |

Activity at Report Time: LOCATION DATA

1.0

**Event No** 

Start End Hrs Activity Description
06:00 06:00 24.0 LOCATION DATA

796' FNL & 1926' FWL (NE/NW)

SECTION 5, T9S, R23E UINTAH COUNTY, UTAH

LAT 40.069803, LONG 109.353453 (NAD 83) LAT 40.069839, LONG 109.352772 (NAD 27)

Description

TRUE #34

OBJECTIVE: 9670' TD (CHANGED TD 8/27/07 SUNDRY)

DW/GAS

EAST CHAPITA PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD

LEASE: U-01304

ELEVATION: 4911.9' NAT GL, 4909.2' PREP GL (DUE TO ROUNDING 4909' IS THE PREP GL), 4928' KB (19')

EOG BPO WI 100%, NRI 84.75%

11-05-2007 Reported By

TERRY CSERE

| DailyCosts: Drilling                              | \$38,000         |   | npletion | \$0   |   | Daily                                   | Total   | \$38,000        |     |
|---|------------------|---|----------|-------|---|---|---------|-----------------|-----|
| Cum Costs: Drilling                               | \$38,000         | Cor   | npletion | \$0   |   | Well 7                                  | Total . | \$38,000        |     |
| <b>MD</b> 0                                       | TVD 0            | Progress                                    | 0        | Days  | 0 | MW                                      | 0.0     | Visc            | 0.0 |
| Formation :                                       | PBTI             |   |          | Perf: |   |   | PKR De  | <b>pth:</b> 0.0 |     |
| Activity at Report Ti                             | me: BUILD LOCATI | ION   |          |       |   |   |         |                 |     |
| Start End   | Hrs Activity I   | Description                                 |          |       |   |   |         |                 |     |
| 06:00 06:00                                       | 24.0 LOCATIO     | N STARTED.                                  |          |       |   |   |         |                 |     |
| 11-06-2007 Re                                     | eported By       | TERRY CSERE                                 |          |       |   |   |         |                 |     |
| DailyCosts: Drilling                              | \$38,000         | Cor   | mpletion | \$0   |   | Daily                                   | Total   | \$38,000        |     |
| Cum Costs: Drilling                               | \$38,000         | Cor   | npletion | \$0   |   | Well 7                                  | Total   | \$38,000        |     |
| <b>MD</b> 0                                       | <b>TVD</b> 0     | Progress                                    | 0        | Days  | 0 | MW                                      | 0.0     | Visc            | 0.0 |
| Formation :                                       | PBTI             | <b>)</b> : 0.0                              |          | Perf: |   |   | PKR De  | <b>pth:</b> 0.0 |     |
| Activity at Report Ti                             | me: BUILD LOCATI | ION   |          |       |   |   |         |                 |     |
| Start End   | Hrs Activity I   | Description                                 |          |       |   |   |         |                 |     |
| 06:00 06:00                                       | 24.0 LOCATION    | N 10% COMPLETE                              | Ē        |       |   |   |         |                 |     |
| 1-07-2007 Re                                      | eported By       | TERRY CSERE                                 |          |       |   |   |         |                 |     |
| DailyCosts: Drilling                              | \$0              | Con   | npletion | \$0   |   | Daily                                   | Total   | \$0             |     |
| Cum Costs: Drilling                               | \$38,000         | Con   | npletion | \$0   |   | Well T                                  | otal    | \$38,000        |     |
| <b>MD</b> 0                                       | <b>TVD</b> 0     | Progress                                    | 0        | Days  | 0 | MW                                      | 0.0     | Visc            | 0.0 |
| Formation :                                       | PBTI             | <b>):</b> 0.0                               |          | Perf: |   |   | PKR De  | pth: 0.0        |     |
| Activity at Report Ti                             | mė: BUILD LOCATI | ION   |          |       |   |   | •       | •               |     |
| Start End   | Hrs Activity I   | Description                                 |          |       |   |   |         |                 |     |
| 06:00 06:00                                       | · ·              | N 50% COMPLETE                              | i.       |       |   |   |         |                 |     |
| 1-08-2007 Re                                      | ported By        | TERRY CSERE                                 |          | ,     |   |   |         |                 | . • |
| DailyCosts: Drilling                              | \$0              | Con   | npletion | \$0   |   | Daily                                   | Total   | \$0             |     |
| Cum Costs: Drilling                               | \$38,000         | Cor   | npletion | \$0   |   | Well T                                  | Total   | \$38,000        |     |
| <b>MD</b> 0                                       | <b>TVD</b> 0     | Progress                                    | 0        | Days  | 0 | $\mathbf{M}\mathbf{W}$                  | 0.0     | Visc            | 0.0 |
| Formation :                                       | PBTI             | Ü   |          | Perf: |   |   | PKR De  | <b>pth:</b> 0.0 |     |
| Activity at Report Ti                             | me: BUILD LOCATI | ION   |          |       |   |   | •       |                 |     |
| Start End   | Hrs Activity I   | Description                                 |          |       |   |   |         |                 |     |
| 06:00 06:00                                       | _                | N 75% COMPLETE                              | <u>.</u> |       |   |   |         |                 |     |
| 11-09-2007 Re                                     | ported By        | TERRY CSERE                                 |          |       |   | *************************************** |         |                 |     |
| DailyCosts: Drilling                              | \$0              | Coi   | mpletion | \$0   |   | Daily                                   | Total   | \$0             |     |
| Cum Costs: Drilling                               | \$38,000         |   | npletion | \$0   |   | Well T                                  |         | \$38,000        |     |
| MD 0  | TVD 0            |   | 0        | Days  | 0 | MW                                      | 0.0     | Visc            | 0.0 |
|   | PBTI             | _   | v        | Perf: | Ü | AT# T T                                 | PKR De  |                 | 0.0 |
| formation :                                       | 1.011            | 0.0   |          | 1011. |   |   |         | P 1 V.U         |     |
|   | me: BUILD LOCATI | ION   |          |       |   |   |         |                 |     |
| Formation :<br>Activity at Report Ti<br>Start End |                  |   |          |       |   |   |         |                 |     |
|   | Hrs Activity I   | ION<br><b>Description</b><br>N 75% COMPLETE | :        |       |   |   |         |                 |     |

| DailyCosts: Drilling   | \$0  | Completion  | \$0   |         | Daily Total  | \$0  |     |
|--|--|---|---|---------|--|--|-----|
| Cum Costs: Drilling  | \$38,000   | Completion  | \$0   |         | Well Total   | \$38,000   |     |
| <b>MD</b> 0  | <b>TVD</b> 0 <b>P</b>  | rogress 0   | Days  | 0       | <b>MW</b> 0.0  | Visc   | 0.0 |
| Formation :  | <b>PBTD</b> : 0.0  |   | Perf:   |         |  | epth: 0.0  |     |
| Activity at Report Ti  | me: BUILDING LOCATION  | Ī   |   |         |  |  |     |
| Start End  | Hrs Activity Descrip   | tion  |   |         |  |  |     |
| 06:00 06:00  | 24.0 LOCATION COM  |   | PIT.  |         |  |  |     |
| 11-13-2007 R   | eported By TERR  | RY CSERE  | an a same anguyayay a gibba tama da manananan a         |         |  |  |     |
| DailyCosts: Drilling   | \$0  | Completion  | \$0   |         | Daily Total  | \$0  |     |
| <b>Cum Costs: Drilling</b>   | \$38,000   | Completion  | \$0   |         | Well Total   | \$38,000   |     |
| <b>MD</b> 0  | TVD 0 P  | Progress 0  | Days  | 0       | <b>MW</b> 0.0  | Visc   | 0.0 |
| Formation :  | <b>PBTD</b> : 0.0  |   | Perf:   |         | PKR D  | <b>epth:</b> 0.0   |     |
| Activity at Report Ti  | me: BUILD LOCATION   |   |   |         |  |  |     |
| Start End  | Hrs Activity Descrip   | tion  |   |         |  |  |     |
| 06:00 06:00  | 24.0 PUSHING OUT PI  | T.  |   |         |  |  |     |
| 11-14-2007 R   | eported By TERF  | RY CSERE  |   |         |  |  |     |
| DailyCosts: Drilling   | \$0  | Completion  | \$0   |         | Daily Total  | \$0  |     |
| <b>Cum Costs: Drilling</b>   | \$38,000   | Completion  | \$0   |         | Well Total   | \$38,000   |     |
| <b>MD</b> 0  | <b>TVD</b> 0 <b>P</b>  | rogress 0   | Days  | 0       | <b>MW</b> 0.0  | Visc   | 0.0 |
| Formation:   | <b>PBTD</b> : 0.0  |   | Perf:   |         | PKR D  | <b>epth:</b> 0.0   |     |
| Activity at Report Ti  | ime: BUILD LOCATION  |   |   |         |  |  |     |
| Start End  | Hrs Activity Descrip   | tion  |   |         |  |  |     |
|  |  |   |   |         |  |  |     |
| 06:00 06:00  | 24.0 LINE TODAY. ST  | ILL HAULING ROCK  | ON LOCATIO  | N.      |  |  |     |
|  |  | ILL HAULING ROCK<br>RY CSERE  | ON LOCATIO  | N.      |  |  |     |
|  |  |   | ON LOCATIO<br>\$0                                       | N.      | Daily Total  | \$0  |     |
| 11-15-2007 R   | eported By TERF  | RY CSERE  |   | N.      | Daily Total<br>Well Total                                  | \$0<br>\$38,000  |     |
| 11-15-2007 R DailyCosts: Drilling  | **Ported By TERF ***  \$0  | RY CSERE  Completion  | \$0   | N.<br>0 | -  |  | 0.0 |
| 11-15-2007 R DailyCosts: Drilling Cum Costs: Drilling  | **Ported By TERF ***  \$0  | RY CSERE  Completion Completion   | \$0<br>\$0  |         | Well Total MW 0.0  | \$38,000   | 0.0 |
| 11–15–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation:  | \$0<br>\$38,000<br>\$10<br>\$38,000  | RY CSERE  Completion Completion   | \$0<br>\$0<br><b>Days</b>                               |         | Well Total MW 0.0  | \$38,000<br><b>Visc</b>                                  | 0.0 |
| 11–15–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation:  | \$0<br>\$38,000<br>\$38,000<br>TVD 0 P<br>PBTD: 0.0  | Completion Completion Progress 0  | \$0<br>\$0<br><b>Days</b>                               |         | Well Total MW 0.0  | \$38,000<br><b>Visc</b>                                  | 0.0 |
| 11–15–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tri   | \$0<br>\$38,000<br>TVD 0 F<br>PBTD: 0.0  | Completion Completion Progress 0  | \$0<br>\$0<br><b>Days</b><br><b>Perf</b> :              | 0       | Well Total MW 0.0  | \$38,000<br><b>Visc</b>                                  | 0.0 |
| 11–15–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report To Start End 06:00 06:00  | \$0 \$38,000  TVD 0 PBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST   | Completion Completion Progress 0  | \$0<br>\$0<br><b>Days</b><br><b>Perf</b> :              | 0       | Well Total MW 0.0  | \$38,000<br><b>Visc</b>                                  | 0.0 |
| 11–15–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report To Start End 06:00 06:00  | \$0 \$38,000  TVD 0 PBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST   | Completion Completion Progress 0 otion  | \$0<br>\$0<br><b>Days</b><br><b>Perf</b> :              | 0       | Well Total MW 0.0  | \$38,000<br><b>Visc</b>                                  | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report To Start End 06:00 06:00 11-16-2007 R  | \$0 \$38,000  TVD 0 PBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST  eported By TERR  | Completion Completion Progress 0 otion ILL HAULING ROCK                                       | \$0<br>\$0<br><b>Days</b><br><b>Perf</b> :              | 0       | Well Total  MW 0.0  PKR D                                  | \$38,000<br>Visc<br>epth: 0.0                            | 0.0 |
| 11–15–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tr Start End 06:00 06:00  11–16–2007 R DailyCosts: Drilling   | \$0 \$38,000  TVD 0 PBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST  eported By TERF \$0 \$38,000                                       | Completion Completion Progress 0  Stion ILL HAULING ROCK RY CSERE Completion                  | \$0<br>\$0<br>Days<br>Perf:                             | 0       | Well Total  MW 0.0  PKR D  Daily Total                     | \$38,000<br>Visc<br>epth: 0.0                            | 0.0 |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report To Start End 06:00 06:00 11–16–2007 R DailyCosts: Drilling Cum Costs: Drilling   | \$0 \$38,000  TVD  0 PBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST  eported By  \$0 \$38,000  | Completion Completion Progress  O  O  O  O  O  O  O  O  O  O  O  O                            | \$0<br>\$0<br>Days<br>Perf:<br>ON LOCATIO<br>\$0<br>\$0 | 0<br>N. | Well Total  MW 0.0  PKR D  Daily Total  Well Total  MW 0.0 | \$38,000<br><b>Visc</b><br><b>epth</b> : 0.0             |     |
| 11–15–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tr Start End 06:00 06:00 11–16–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation:            | \$0 \$38,000  TVD  0 PBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST  eported By \$0 \$38,000  TVD  0 P                                 | Completion Completion Progress  O  O  O  O  O  O  O  O  O  O  O  O                            | \$0 \$0  Days  Perf:  ON LOCATIO  \$0 \$0 Days          | 0<br>N. | Well Total  MW 0.0  PKR D  Daily Total  Well Total  MW 0.0 | \$38,000<br>Visc<br>epth: 0.0<br>\$0<br>\$38,000<br>Visc |     |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tr Start End 06:00 06:00 11–16–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation:                         | \$0 \$38,000  TVD  0 FPBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST eported By \$0 \$38,000  TVD  0 FPBTD: 0.0                        | Completion Completion Progress 0  Mill HAULING ROCK RY CSERE Completion Completion Progress 0 | \$0 \$0  Days  Perf:  ON LOCATIO  \$0 \$0 Days          | 0<br>N. | Well Total  MW 0.0  PKR D  Daily Total  Well Total  MW 0.0 | \$38,000<br>Visc<br>epth: 0.0<br>\$0<br>\$38,000<br>Visc |     |
| DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tri Start End 06:00 06:00 11–16–2007 R DailyCosts: Drilling Cum Costs: Drilling MD 0 Formation: Activity at Report Tri | \$0 \$38,000  TVD 0 PBTD: 0.0  ime: BUILD LOCATION  Hrs Activity Descrip 24.0 LINE TODAY. ST  eported By TERF \$0 \$38,000  TVD 0 PBTD: 0.0  ime: BUILD LOCATION | Completion Completion Progress  O  O  O  O  O  O  O  O  O  O  O  O                            | \$0 \$0  Days  Perf:  ON LOCATIO  \$0 \$0 Days          | 0<br>N. | Well Total  MW 0.0  PKR D  Daily Total  Well Total  MW 0.0 | \$38,000<br>Visc<br>epth: 0.0<br>\$0<br>\$38,000<br>Visc |     |

| DailyCosts: Drilling \$0 |            |             | Com     | pletion      | \$0     |       | Daily | Total  | \$0          |          |     |
|--------------------------|------------|-------------|---------|--------------|---------|-------|-------|--------|--------------|----------|-----|
| Cum Costs                | : Drilling | \$38,00     | Ю       | Com          | pletion | \$0   |       | Well 7 | <b>Fotal</b> | \$38,000 |     |
| MD                       | 80         | TVD         | 80      | Progress     | 0       | Days  | . 0   | MW     | 0.0          | Visc     | 0.0 |
| Formation                | :          |             | PBTD:   | 0.0          |         | Perf: |       |        | PKR Dep      | oth: 0.0 |     |
| Activity at              | Report Ti  | me: BUILD L | OCATION | I/WO AIR RIG |         |       |       |        |              |          |     |

| Start | Ena   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 11/16/2007 @ 12:30 PM. SET 80' OF 14" CONDUCTOR. |
|       |       |      | CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM &             |
|       |       |      | MICHEAL LEE W/BLM OF THE SPUD ON 11/16/07 @ 11:30 AM.                                       |

| 01-03-200  | )8 Re      | ported By | JE              | RRY BARNS |         |       |   | 6 7 - 79 V-10 7 A THEREAD BANK I I |         |                 |     |
|------------|------------|-----------|-----------------|-----------|---------|-------|---|------------------------------------|---------|-----------------|-----|
| DailyCosts | : Drilling | \$267     | 7,666           | Com       | pletion | \$0   |   | Daily                              | Total   | \$267,666       |     |
| Cum Costs  | : Drilling | \$305     | 5,666           | Com       | pletion | \$0   |   | Well '                             | Total   | \$305,666       |     |
| MD         | 2,522      | TVD       | 2,522           | Progress  | 0       | Days  | 0 | MW                                 | 0.0     | Visc            | 0.0 |
| Formation  | :          |           | <b>PBTD</b> : 0 | .0        |         | Perf: |   |                                    | PKR Dep | <b>pth:</b> 0.0 |     |

Activity at Report Time: WORT

Start End Hrs **Activity Description** 

06:00 06:00 24.0 MIRU CRAIGS AIR RIG #2 ON 11/19/2007. DRILLED 12-1/4" HOLE TO 2550' GL. ENCOUNTERED NO WATER. RAN 58 JTS (2503.20') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE, LANDED @ 2522' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING, PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 190 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 230 SX (156 BBLS) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/ SX GILSONITE, 3 #/ SX GR-3, 3% SALT, & ¼ #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (41 BBLS) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE, MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/190 BBLS FRESH WATER. BUMPED PLUG W/800# @ 4:12 PM, 11/21/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 1 BBLS INTO LEAD CEMENT. LOST RETURNS 170 BBLS INTO DISPLACEMENT. NO CEMENT TO SURFACE.

TOP JOB # 1: PUMPED DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 BBLS) OF PREMIUM CEMENT W/4% CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX, NO RETURNS. WOC 3 HRS.

TOP JOB # 2: MIXED & PUMPED 150 SX (30 BBLS) OF PREMIUM CEMENT W/4% CACL2, & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

MIRU GLENNS WIRELINE SERVICE. RAN IN HOLE W/STRAIGHT HOLE SURVEY. TAGGED CEMENT @ 2377'. PICKED UP TO 2357' & TOOK SURVEY.

2 DEGREE.

LESTER FARNSWORHT NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 11/20/2007 @ 1:15 PM.

03-28-2008 Reported By **BRIAN DUTTON** 

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| DailyCost  | ts: Drilling   | \$33   | ,695  | Con  | npletion  | \$0   |  | Dai                             | ly Total       | \$33,695   |                           |
|--|--|--|---|--|---|---|--|---------------------------------|----------------|--|---------------------------|
| Cum Cos  | ts: Drilling   | \$33   | 9,361   | Con  | npletion  | \$0   |  | Wel                             | l Total        | \$339,361  |                           |
| MD   | 2,522  | TVD  | 2,522   | Progress   | 0   | Days  | 0  | MW                              | 0.0            | Visc   | 0.0                       |
| Formatio   | n:   |  | <b>PBTD</b> : 0.  | •  |   | Perf:   |  |                                 | PKR De         | <b>pth:</b> 0.0                                      |                           |
|  | ıt Report Ti   | me: RURT   |   |  |   |   |  |                                 |                |  |                           |
| Start  | End  | Hrs A  | ctivity Desc  | ription  |   |   |  |                                 |                |  |                           |
| 06:00  | 12:30  |  | =   | _  | RIG CREV  | WS & RIG MO   | VERS. RD   | RT AND M                        | OVE FROM E     | CU 44-05 TO E  | CU 03-05.                 |
| 12:30  | 20:30  |  | URT ON THE  |  | AISE DER  | RCIK @ 19:0   | O HOURS, T   | TRUCKS RI                       | ELEASED @ 2    | 20:30 HRS. MO  | VE WAS                    |
|  |  | 0  | LD LOCATIO  | N ECU 44-05  | CLEARED   | AND CLEAR   | NED OFF.   |                                 |                |  |                           |
| 20:30  | 06:00  | 9.5 R  | URT AND PR  | EPARE TO TES   | ST B.O.P.   |   |  |                                 |                |  |                           |
|  |  | N  | O ACCIDENT  | ΓS.  |   |   |  |                                 |                |  |                           |
|  |  | N  | IAN HOURS   | 108.   |   |   |  |                                 |                |  |                           |
|  |  | 1:   | 5 MEN, 140 M  | IAN-HOURS.   |   |   |  |                                 |                |  |                           |
|  |  | T  | RANSFERRE   | D 3 JTS(119.84   | 4.5" 11.6   | # N80 LTC CA  | ASING TO E   | ECW 03-5.                       |                |  |                           |
|  |  | Т  | RANSFERRE   | D 2850 GALS 1  | DIESEL TO   | D ECW 03-5.   |  |                                 |                |  |                           |
|  |  | N  | OTIFIED JAN   | /IIE SPARGER/  | BLM/VER   | NAL @ 1300  | HRS 3/27/0   | 8 OF BOP T                      | TEST 3/28/08 ( | @ 0600 HRS.  |                           |
| 03-29-20   | 008 Re   | ported By  | В   | RIAN DUTTON  | I   |   |  |                                 |                |  |                           |
| DailyCos   | ts: Drilling   | \$81   | ,215  | Con  | npletion  | \$922   |  | Dai                             | ly Total       | \$82,137   |                           |
| Cum Cos  | ts: Drilling   | \$42   | 0,577   | Con  | npletion  | \$922   |  | Wel                             | l Total        | \$421,499  |                           |
| MD   | 3,975  | TVD  | 3,975   | Progress   | 1,453   | Dorug   | 1  | 3.6337                          | 8.7            | ¥72  | 0.0                       |
|  |  |  |   | I I O 5 I COO  | 1,455   | Days  | 1  | $\mathbf{MW}$                   | 0.7            | Visc   | 0.0                       |
| Formatio   | n:   |  | <b>PBTD</b> : 0   | Ü  | 1,433   | Days<br>Perf:   | 1  | IVI VV                          | PKR De         |  | 0.0                       |
|  | n :<br>it Report Ti  | me: DRILL  |   | Ü  | 1,433   | -   | 1  | IVI VV                          |                |  | 0.0                       |
|  |  |  |   | .0   | 1,400   | -   | 1  | MW                              |                |  | 0.0                       |
| Activity a   | ıt Report Ti   | Hrs A<br>5.0 R<br>22   | ING @ 3975' Activity Desc IG ACCEPTE 50/5000 PSI, F   | .0<br><b>ription</b><br>D FOR DAYWO  | ORK 06:00<br>500 PSI, CA  | Perf:   | . TESTED F   | BOPE (ALL                       | PKR De         |  | OLD                       |
| Activity a   | nt Report Ti   | Hrs A 5.0 R 22   | ING @ 3975' Activity Desc IG ACCEPTE 50/5000 PSI, F ILM WITNES:   | .0<br><b>ription</b><br>D FOR DAYWO<br>HYDRIL 250/25   | ORK 06:00<br>500 PSI, CA  | Perf:   | . TESTED F   | BOPE (ALL                       | PKR De         | <b>pth</b> : 0.0                                     | OLD                       |
| Activity a Start 06:00   | nt Report Ti<br>End<br>11:00   | Hrs A<br>5.0 R<br>2:<br>B<br>0.5 IN  | ING @ 3975' Activity Desc IG ACCEPTE 50/5000 PSI, F LM WITNES! NSTALL WEA   | .0<br><b>ription</b><br>D FOR DAYWO<br>HYDRIL 250/25<br>S ON LOCATIO   | ORK 06:00<br>600 PSI, CA<br>DN.   | Perf: HRS, 3/28/08  | . TESTED I   | BOPE (ALL                       | PKR De         | <b>pth</b> : 0.0                                     | OLD                       |
| Activity a Start 06:00   | t Report Ti<br>End<br>11:00  | 5.0 R<br>22<br>B<br>0.5 IN<br>0.5 R  | LING @ 3975' Activity Desc LIG ACCEPTE 50/5000 PSI, F LIM WITNESS NSTALL WEA  | .0<br>ription<br>D FOR DAYWO<br>HYDRIL 250/25<br>S ON LOCATIO<br>AR BUSHING.   | ORK 06:00<br>500 PSI, CA<br>DN.<br>HELD SA  | Perf: HRS, 3/28/08  | . TESTED I   | BOPE (ALL                       | PKR De         | <b>pth</b> : 0.0                                     | OLD                       |
| Activity a Start 06:00  11:00 11:30  | 11:30<br>12:00   | 5.0 R 2: B 0.5 II 0.5 R 2.0 P  | LING @ 3975' Letivity Desc LIG ACCEPTE 50/5000 PSI, F LM WITNESS NSTALL WEA LU CALIBER I U BHA & DP.  | .0  ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIC AR BUSHING. LD MACHINE.  | ORK 06:00<br>00 PSI, CA<br>DN.<br>HELD SA<br>2,414'.  | Perf: HRS, 3/28/08  | . TESTED I   | BOPE (ALL                       | PKR De         | <b>pth</b> : 0.0                                     | OLD                       |
| Activity a Start 06:00  11:00 11:30 12:00  | 11:30<br>12:00<br>14:00  | 5.0 R 2.2 B 0.5 IN 0.5 R 2.0 P 0.5 R   | LING @ 3975' Activity Desc IG ACCEPTE 50/5000 PSI, I LIM WITNESS NSTALL WEA U CALIBER I U BHA & DP. LD CALIBER I  | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIC AR BUSHING. LD MACHINE. TAGGED @ 2   | ORK 06:00<br>500 PSI, CA<br>DN.<br>HELD SA<br>2,414'.   | Perf: HRS, 3/28/08 ASING 1500 P   | . TESTED I<br>SI. PERFO<br>ING.  | BOPE (ALL<br>RMED ACC           | PKR De         | <b>pth</b> : 0.0                                     | OLD                       |
| Activity a Start 06:00  11:00 11:30 12:00 14:00                                  | 11:30<br>12:00<br>14:00<br>14:30                                     | 5.0 R 5.0 R 2.2 B 0.5 II 0.5 R 2.0 P 0.5 R 0.5 T                             | LING @ 3975' Activity Desc LIG ACCEPTE 50/5000 PSI, F LM WITNESS NSTALL WEA U CALIBER I U BHA & DP. LD CALIBER I ORQUED KE  | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE.   | ORK 06:00<br>500 PSI, CA<br>DN.<br>HELD SA<br>414'.   | Perf: HRS, 3/28/08 ASING 1500 P AFETY MEET  | . TESTED I<br>SI. PERFO<br>ING.  | BOPE (ALL<br>RMED ACC           | PKR De         | <b>pth</b> : 0.0                                     | OLD                       |
| Activity a Start 06:00  11:00 11:30 12:00 14:00 14:30                            | 11:00<br>11:00<br>11:30<br>12:00<br>14:00<br>14:30<br>15:00          | 5.0 R 2.0 B 0.5 R 2.0 P 0.5 R 2.0 P 0.5 R 2.0 D 0.5 T 2.0 D                  | LING @ 3975' Letivity Desc LIG ACCEPTE 50/5000 PSI, F LIM WITNESS NSTALL WEA LU CALIBER I U BHA & DP. LD CALIBER I ORQUED KE  | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE. LLY. INSTALL  | ORK 06:00<br>600 PSI, CA<br>DN.<br>HELD SA<br>414'.<br>LED ROTA<br>JIP, F/2,414                               | Perf:  HRS, 3/28/08 ASING 1500 P  AFETY MEET  TING HEAD: 1' TO 2,550'.  | . TESTED F<br>SI. PERFO<br>ING.<br>RUBBER &                                      | BOPE (ALL<br>RMED ACC           | PKR De         | <b>pth</b> : 0.0                                     | OLD                       |
| Activity a  Start  06:00  11:00  11:30  12:00  14:00  14:30  15:00               | 11:30<br>12:00<br>14:00<br>14:30<br>15:00<br>17:00                   | 5.0 R 2.2 B 0.5 IN 0.5 R 2.0 P 0.5 R 0.5 T 2.0 D 0.5 P 8.5 D                 | LING @ 3975' Activity Desc LIG ACCEPTE 50/5000 PSI, F LLM WITNESS NSTALL WEA LU CALIBER I U BHA & DP. LD CALIBER I ORQUED KE ORLLL CEMEN  | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE. LLY. INSTALL NT/FLOAT EQU   | ORK 06:00<br>500 PSI, CA<br>DN.<br>HELD SA<br>3,414'.<br>LED ROTA'<br>JIP, F/2,414<br>TO 11.5 PF              | Perf:  HRS, 3/28/08 ASING 1500 P  AFETY MEET  FING HEAD 1  TO 2,550'.  G EMW(400)   | . TESTED I<br>SI. PERFO!<br>ING.<br>RUBBER &<br>PSI).                            | BOPE (ALL<br>RMED ACC<br>OILER. | PKR De         | <b>pth</b> : 0.0                                     | OLD<br>EST). NO           |
| Activity a Start 06:00  11:00 11:30 12:00 14:00 14:30 15:00 17:00                | 11:30<br>12:00<br>14:30<br>15:00<br>17:00<br>17:30                   | 5.0 R 5.0 R 2.0 B 0.5 R 2.0 P 0.5 R 0.5 T 2.0 D 0.5 P 8.5 D F                | LING @ 3975' Activity Desc IG ACCEPTE 50/5000 PSI, IF ALM WITNESS NSTALL WEA U CALIBER I U BHA & DP. D CALIBER I ORQUED KE PRILL CEMEN ERFORMED I ORILLED 2,556 LARE.   | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE. LLY. INSTALL NT/FLOAT EQU   | ORK 06:00 500 PSI, CA DN.  HELD SA 5,414'.  LED ROTA JIP. F/2,414 TO 11.5 PF 57' @ 112.:                      | Perf:  HRS, 3/28/08 ASING 1500 P  AFETY MEET  FING HEAD 1  TO 2,550'.  G EMW(400  5 FPH), WOB   | . TESTED I<br>SI. PERFO!<br>ING.<br>RUBBER &<br>PSI).                            | BOPE (ALL<br>RMED ACC<br>OILER. | PKR De         | pth: 0.0  /ES, & MANIFO FUNCTION TI                  | OLD<br>EST). NO           |
| Activity a Start 06:00  11:00 11:30 12:00 14:00 14:30 15:00 17:00 17:30          | 11:30<br>12:00<br>14:00<br>14:30<br>15:00<br>17:00<br>17:30<br>02:00 | Hrs  | LING @ 3975' Letivity Desc LIG ACCEPTE 50/5000 PSI, F LIM WITNESS NSTALL WEA LU CALIBER I U BHA & DP. LO CALIBER I ORQUED KE DRILL CEMEN ERFORMED DRILLED 2,556 LARE. URVEY DEPT  | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE. LLY. INSTALL NT/FLOAT EQU F.I.T. @ 2,550' 7 O' TO 3,507' (95) FH @ 3,426' 1.7 7' TO 3,975' (46)                     | ORK 06:00 600 PSI, CA DN.  HELD SA 4,414'.  LED ROTA JIP. F/2,414 TO 11.5 PF 57' @ 112.:                      | Perf:  HRS, 3/28/08 ASING 1500 P  AFETY MEET  FING HEAD 1  TO 2,550'.  G EMW(400  5 FPH), WOB  ES.                                    | . TESTED F<br>SI. PERFO<br>ING.<br>RUBBER &<br>PSI).<br>10–20K, GI               | OILER.                          | PKR De         | pth: 0.0  /ES, & MANIFO FUNCTION TI                  | DLD<br>EST). NO<br>37, NO |
| Activity a  Start  06:00  11:00  11:30  12:00  14:00  14:30  15:00  17:30  02:00 | 11:30<br>12:00<br>14:00<br>14:30<br>15:00<br>17:00<br>17:30<br>02:00 | 5.0 R 5.0 R 2.0 B 0.5 R 2.0 P 0.5 R 0.5 T 2.0 D 0.5 P 8.5 D F 0.5 S 3.5 D M  | LING @ 3975' Activity Desc LIG ACCEPTE 50/5000 PSI, IF LIM WITNESS NSTALL WEA LU CALIBER I U BHA & DP. LD CALIBER I ORQUED KE ORILL CEMEN ERFORMED 1 ORLILED 2,550 LARE. URVEY DEPT ORILLED 3,50 IUD 9.0 PPG,             | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE. LLY. INSTALL NT/FLOAT EQU F.I.T. @ 2,550' 7 O' TO 3,507' (95) FH @ 3,426' 1.7 7' TO 3,975' (46)                     | ORK 06:00 500 PSI, CA DN.  HELD SA 5,414'.  LED ROTA' JIP. F/2,414 TO 11.5 PF 57' @ 112.5 75 DEGRE 58' @ 133. | Perf:  HRS, 3/28/08 ASING 1500 P  AFETY MEET  FING HEAD 1  TO 2,550'.  G EMW(400  FPH), WOB  ES.  FPH), WOB                           | . TESTED F<br>SI. PERFO<br>ING.<br>RUBBER &<br>PSI).<br>10–20K, GI               | OILER.                          | PKR De         | pth: 0.0  /ES, & MANIFO FUNCTION TO                  | DLD<br>EST). NO<br>37, NO |
| Activity a  Start  06:00  11:00  11:30  12:00  14:00  14:30  15:00  17:30  02:00 | 11:30<br>12:00<br>14:00<br>14:30<br>15:00<br>17:00<br>17:30<br>02:00 | 5.0 R 2.2 B 0.5 II 0.5 R 2.0 P 0.5 R 0.5 T 2.0 D 0.5 P 8.5 D F 0.5 S 3.5 D M | LING @ 3975' Activity Desc IG ACCEPTE 50/5000 PSI, I- LIM WITNESS NSTALL WEA U CALIBER I U BHA & DP. D CALIBER I ORQUED KE DRILL CEMEN ERFORMED PRILLED 2,550 LARE. URVEY DEPT DRILLED 3,500 MUD 9.0 PPG, DIESEL 9234 C   | ription D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE. LLY. INSTALL NT/FLOAT EQU F.I.T. @ 2,550' (95 TH @ 3,426' 1.7 7' TO 3,975' (46 VIS 30.                               | ORK 06:00 600 PSI, CA DN.  HELD SA 4,414'.  LED ROTA UIP. F/2,414 TO 11.5 PF 57' @ 112 75 DEGRE 68' @ 133.    | Perf:  HRS, 3/28/08 ASING 1500 P  AFETY MEET  TING HEAD 1 TO 2,550'. PG EMW(400 TO FPH), WOB  ES. TO FPH), WOB  ES. TO FPH), WOB  ES. | . TESTED F<br>SI. PERFO<br>ING.<br>RUBBER &<br>PSI).<br>10–20K, GF<br>15–20K, GF | OILER. PM 432, RP               | PKR De         | pth: 0.0  /ES, & MANIFO FUNCTION TO  FOR 69, SPP 153 | DLD<br>EST). NO<br>37, NO |
| Activity a  Start  06:00  11:00  11:30  12:00  14:00  14:30  15:00  17:30  02:00 | 11:30<br>12:00<br>14:00<br>14:30<br>15:00<br>17:00<br>17:30<br>02:00 | Hrs  | LING @ 3975' Activity Desc LIG ACCEPTE 50/5000 PSI, F LIM WITNESS NSTALL WEA LU CALIBER I U BHA & DP. LID CALIBER I ORQUED KE DRILL CEMEN ERFORMED DRILLED 2,550 LARE. URVEY DEPT DRILLED 3,50 MUD 9.0 PPG, DIESEL 9234 C | ription  D FOR DAYWO HYDRIL 250/25 S ON LOCATIO AR BUSHING. LD MACHINE. TAGGED @ 2 LD MACHINE. LLY. INSTALL NT/FLOAT EQU F.I.T. @ 2,550' 7 O' TO 3,507' (95 FH @ 3,426' 1.7 7' TO 3,975' (46 VIS 30.  GALS(USED 13 | ORK 06:00 600 PSI, CA DN.  HELD SA 4,414'.  LED ROTA JIP, F/2,414 TO 11.5 PF 57' @ 112.: 75 DEGRE 58' @ 133.' | Perf:  HRS, 3/28/08 ASING 1500 P  AFETY MEET  TING HEAD  1' TO 2,550'.  G EMW(400  5 FPH), WOB  ES.  7 FPH), WOB  LER 0 HRS.          | . TESTED I<br>SI. PERFO<br>ING.<br>RUBBER &<br>PSI).<br>10–20K, GI<br>IS–20K, GI | OILER. PM 432, RP               | PKR De         | pth: 0.0  /ES, & MANIFO FUNCTION TO  FOR 69, SPP 153 | DLD<br>EST). NO<br>37, NO |

| 03-30-200  | )8 Re  | eported By  | BRIAN DU  | ITON   |   |                        |                              |                 |                                      |          |
|--|--|---|---|--|---|------------------------|------------------------------|-----------------|--------------------------------------|----------|
| DailyCost:   | s: Drilling  | \$31,140  |   | Completion   | \$0   |                        | Daily                        | Total           | \$31,140                             |          |
| Cum Cost   | s: Drilling  | \$451,374   |   | Completion   | \$922   |                        | Well                         | Total           | \$452,296                            |          |
| MD   | 5,103  | TVD 5   | i,103 Progre  | ess 1,128  | Days  | 2                      | MW                           | 9.1             | Visc                                 | 34.0     |
| Formation  | ι:   | PBT   | <b>FD</b> : 0.0   |  | Perf:   |                        |                              | PKR De          | pth: 0.0                             |          |
| Activity at  | Report Ti  | me: TOH FOR BIT   | Γ   |  |   |                        |                              | •               | •                                    |          |
| Start  | End  | Hrs Activity  | y Description   |  |   |                        |                              |                 |                                      |          |
| 06:00  | 10:00  |   | D 3,975' TO 4,47<br>3 PPG, VIS 33.  | 76' (501' @ 125.2  | FPH), WOB 1   | 5–20K, GF              | PM 432, RPM                  | 40/MOTOR        | 69, SPP 1700, N                      | IO FLAR  |
| 10:00  | 10:30  | 0.5 SERVIC<br>RAMS.   | E RIG, COMP, D  | RAW TOOL, T.E  | A., FUNCTIO   | ON TEST C              | ROWN -O-                     | MATIC ANI       | D FUNCTION T                         | EST PIPI |
| 10:30  | 05:30  |   | D 4,476' TO 5,10<br>5 PPG, VIS 34.  | 03' (627' @ 33.0   | FPH), WOB 15  | 5–20K, GP              | M 414, RPM                   | 40/MOTOR        | 66, SPP 1900, N                      | O FLAR   |
| 05:30  | 06:00  | 0.5 PUMP P  | ILL AND BLOW  | KELLY DRY.   |   |                        |                              |                 |                                      |          |
|  |  |   |   | ED 1026). BOIL   |   |                        |                              |                 |                                      |          |
|  |  | NO ACC  | CIDENTS. FULL   | CREWS. SAFE  | TY MEETING  | TOPIC-W                | ORKING O                     | N MUD PUM       | IPS LOCK OUT                         | TAG OU   |
|  |  | FUNCTI  | ION COM FIRST   | CONN ON TOU  | R, ALL CREV   | VS.                    |                              |                 |                                      |          |
|  |  | UNMAN   | NED LOGGING   | UNIT 2 DAYS  | ON LOCATION   | N.                     |                              |                 |                                      |          |
| 3-31-200   | )8 Re  | ported By   | BRIAN DU  | ITON   |   |                        |                              |                 |                                      |          |
| DailyCosts   | s: Drilling  | \$33,150  |   | Completion   | \$0   |                        | Daily                        | Total           | \$33,150                             |          |
| Cum Cost   | s: Drilling  | \$483,965   |   | Completion   | \$922   |                        | Well                         | Total           | \$484,887                            |          |
| MD   | 6,497  | TVD 6   | 5,497 <b>Progre</b>   | ess 1,376  | Days  | 3                      | MW                           | 9.5             | Visc                                 | 34.0     |
| Formation  | ı:   | PBT   | <b>TD:</b> 0.0  |  | Perf:   |                        |                              | PKR De          | <b>pth:</b> 0.0                      |          |
| Activity at  | Report Ti  | me: DRILLING @  | 6497'   |  |   |                        |                              |                 |                                      |          |
| Start  | End  | Hrs Activity  | y Description   |  |   |                        |                              |                 |                                      |          |
| 06:00  | 08:00  | 2.0 TRIP OU   | JT OF HOLE WI   | TH BIT #1 @ 5,1  | 03'.  |                        |                              |                 |                                      |          |
| 55.00  | 08:30  | 0.5 L/D ROI   | LLER REAMERS  | S AND CHANGE   | BIT.  |                        |                              |                 |                                      |          |
| 08:00  |  |   |   | T 40   |   |                        |                              |                 |                                      |          |
|  | 10:30  | 2.0 TRIP IN   | HOLE WITH BI  | 1 #2.  |   |                        |                              |                 |                                      |          |
| 08:00  | 10:30<br>11:00   |   |   | 11 #2.<br>O 5,103'. ( NO F   | ILL ).  |                        |                              |                 |                                      |          |
| 08:00<br>08:30   |  | 0.5 WASH/F  | REAM F/5,065' T   | O 5,103'. ( NO F   | ,   | 15–20K, G              | PM 432, RP!                  | м 40/мотоі      | R 69, SPP 1800,                      | NO       |
| 08:00<br>08:30<br>10:30  | 11:00  | 0.5 WASH/F<br>19.0 DRILLE<br>FLARE.   | REAM F/5,065' T<br>CD 5,103' TO 6,49<br>MUD 9.9 PPG, N  | O 5,103'. ( NO F   | FPH), WOB   | 15–20K, G              | PM 432, RPI                  | М 40/МОТОІ      | R 69, SPP 1800,                      | NO       |
| 08:00<br>08:30<br>10:30  | 11:00  | 0.5 WASH/F<br>19.0 DRILLE<br>FLARE.<br>DIESEL   | REAM F/5,065' T<br>ED 5,103' TO 6,49<br>MUD 9.9 PPG, V<br>6954 GALS(US)   | O 5,103'. ( NO F<br>O7' (1,394' @ 73<br>VIS 35.  | FPH), WOB   |                        |                              |                 | R 69, SPP 1800,                      | NO       |
| 08:00<br>08:30<br>10:30  | 11:00  | 0.5 WASH/F<br>19.0 DRILLE<br>FLARE.<br>DIESEL<br>NO ACC                               | REAM F/5,065' T<br>ED 5,103' TO 6,49<br>MUD 9.9 PPG, V<br>6954 GALS(US)<br>CIDENTS. FULL  | O 5,103'. ( NO F<br>97' (1,394' @ 73.2<br>VIS 35.<br>ED 1254). BOILL   | FPH), WOB<br>ER 0 HRS.<br>TY MEETING  | TOPIC-F                |                              |                 | R 69, SPP 1800,                      | NO       |
| 08:00<br>08:30<br>10:30  | 11:00  | 0.5 WASH/F 19.0 DRILLE FLARE. DIESEL NO ACC   | REAM F/5,065' T<br>ED 5,103' TO 6,49<br>MUD 9.9 PPG, V<br>6954 GALS(US)<br>CIDENTS. FULL<br>ION COM FIRST                             | O 5,103'. ( NO F<br>97' (1,394' @ 73.3'<br>VIS 35.<br>ED 1254). BOILL<br>CREWS. SAFE   | S FPH), WOB<br>ER 0 HRS.<br>TY MEETING<br>UR, ALL CREV                                    | TOPIC-F                |                              |                 | R 69, SPP 1800,                      | NO       |
| 08:00<br>08:30<br>10:30  | 11:00<br>06:00   | 0.5 WASH/F 19.0 DRILLE FLARE. DIESEL NO ACC   | REAM F/5,065' T<br>ED 5,103' TO 6,49<br>MUD 9.9 PPG, V<br>6954 GALS(US)<br>CIDENTS. FULL<br>ION COM FIRST                             | O 5,103'. ( NO F<br>97' (1,394' @ 73.2'<br>VIS 35.<br>ED 1254). BOILL<br>CREWS. SAFE<br>CONN ON TOU<br>GUNIT 3 DAYS (                                    | S FPH), WOB<br>ER 0 HRS.<br>TY MEETING<br>UR, ALL CREV                                    | TOPIC-F                |                              |                 | R 69, SPP 1800,                      | NO       |
| 08:00<br>08:30<br>10:30<br>11:00   | 11:00<br>06:00   | 0.5 WASH/F 19.0 DRILLE FLARE. DIESEL NO ACC FUNCTI UNMAN                              | REAM F/5,065' T<br>ED 5,103' TO 6,49<br>MUD 9.9 PPG, V<br>6954 GALS(USI<br>CIDENTS. FULL<br>ION COM FIRST<br>NNED LOGGING             | O 5,103'. ( NO F<br>97' (1,394' @ 73.2'<br>VIS 35.<br>ED 1254). BOILL<br>CREWS. SAFE<br>CONN ON TOU<br>GUNIT 3 DAYS (                                    | S FPH), WOB<br>ER 0 HRS.<br>TY MEETING<br>UR, ALL CREV                                    | TOPIC-F                | IRST AID ST                  |                 | \$52,879                             | NO       |
| 08:00<br>08:30<br>10:30<br>11:00<br>04-01-200                                  | 11:00<br>06:00   | 0.5 WASH/F 19.0 DRILLE FLARE. DIESEL NO ACC FUNCTI UNMAN                              | REAM F/5,065' T<br>ED 5,103' TO 6,49<br>MUD 9.9 PPG, V<br>6954 GALS(USI<br>CIDENTS. FULL<br>ION COM FIRST<br>NNED LOGGING             | O 5,103'. ( NO F<br>97' (1,394' @ 73.2'<br>VIS 35.<br>ED 1254). BOILL<br>CREWS. SAFE<br>CONN ON TOU<br>GUNIT 3 DAYS (                                    | FPH), WOB  ER 0 HRS.  TY MEETING  UR, ALL CREV  DN LOCATION                               | TOPIC-F                | IRST AID ST                  | TATIONS.        |                                      | NO       |
| 08:00<br>08:30<br>10:30<br>11:00<br>04-01-200<br>Daily Cost:                   | 11:00<br>06:00<br>08 Re<br>s: Drilling                     | 0.5 WASH/F 19.0 DRILLE FLARE. DIESEL NO ACC FUNCTI UNMAN Ported By \$48,736 \$532,701 | REAM F/5,065' T<br>ED 5,103' TO 6,49<br>MUD 9.9 PPG, V<br>6954 GALS(USI<br>CIDENTS. FULL<br>ION COM FIRST<br>NNED LOGGING<br>BRIAN DU | O 5,103'. (NO F<br>OT' (1,394' @ 73.2'<br>VIS 35.<br>ED 1254). BOILL<br>CREWS. SAFE<br>CONN ON TOU<br>GUNIT 3 DAYS O<br>ITON<br>Completion<br>Completion | FPH), WOB<br>ER 0 HRS.<br>TY MEETING<br>UR, ALL CREV<br>DN LOCATION<br>\$4,143<br>\$5,065 | TOPIC-F                | IRST AID ST                  | TATIONS.        | \$52,879                             |          |
| 08:00<br>08:30<br>10:30<br>11:00<br>04-01-200<br>DailyCost:                    | 11:00<br>06:00<br>08 Res: Drilling<br>s: Drilling<br>7,855 | 0.5 WASH/F 19.0 DRILLE FLARE. DIESEL NO ACC FUNCTI UNMAN Ported By \$48,736 \$532,701 | REAM F/5,065' T ED 5,103' TO 6,49 MUD 9.9 PPG, N 6954 GALS(US) CIDENTS. FULL ION COM FIRST NNED LOGGING BRIAN DU 7,855 Progre         | O 5,103'. (NO F<br>OT' (1,394' @ 73.2'<br>VIS 35.<br>ED 1254). BOILL<br>CREWS. SAFE<br>CONN ON TOU<br>GUNIT 3 DAYS O<br>ITON<br>Completion<br>Completion | ER 0 HRS. TY MEETING OR, ALL CREV ON LOCATION \$4,143 \$5,065  Days                       | i TOPIC-F<br>VS.<br>N. | IRST AID ST<br>Daily<br>Well | Total Total 9.9 | \$52,879<br>\$537,766<br><b>Visc</b> | 33.0     |
| 08:00<br>08:30<br>10:30<br>11:00<br>04-01-200<br>Daily Cost:<br>Cum Cost<br>MD | 11:00<br>06:00<br>08 Ress: Drilling<br>7,855               | 0.5 WASH/F 19.0 DRILLE FLARE. DIESEL NO ACC FUNCTI UNMAN Ported By \$48,736 \$532,701 | REAM F/5,065' T ED 5,103' TO 6,49 MUD 9.9 PPG, V 6954 GALS(US) CIDENTS. FULL ION COM FIRST NNED LOGGING BRIAN DU  7,855 Progre        | O 5,103'. (NO F<br>OT' (1,394' @ 73.2'<br>VIS 35.<br>ED 1254). BOILL<br>CREWS. SAFE<br>CONN ON TOU<br>GUNIT 3 DAYS O<br>ITON<br>Completion<br>Completion | FPH), WOB<br>ER 0 HRS.<br>TY MEETING<br>UR, ALL CREV<br>DN LOCATION<br>\$4,143<br>\$5,065 | i TOPIC-F<br>VS.<br>N. | IRST AID ST<br>Daily<br>Well | Total Total     | \$52,879<br>\$537,766<br><b>Visc</b> |          |

| 06:00      | 10:00        |          | DRILLED 6,49<br>MUD 9.9 PPG, | , ,          | 50' @ 62.5 | FPH), WOB 1    | 5–20K, GP | M 432, RPM  | 1 40/MOTOR 6        | 59, SPP 1850, N | IO FLARE. |
|------------|--------------|----------|------------------------------|--------------|------------|----------------|-----------|-------------|---------------------|-----------------|-----------|
| 10:00      | 10:30        |          | SERVICE RIG,<br>RAMS.        | COMP, DRAW   | TOOL, T.   | B.A., FUNCTION | ON TEST C | CROWN -O-   | - MATIC AND         | FUNCTION 1      | EST PIPE  |
| 10:30      | 06:00        | 19.5     | DRILLED 6,74<br>FLARE. MUD   |              |            | .8 FPH), WOB   | 15–20K, C | FPM 432, RP | M 40/MOTOF          | R 69, SPP 1950, | . NO      |
|            |              |          | DIESEL 5244 C                | GALS(USED 17 | 710). BOIL | ER 24 HRS.     |           |             |                     |                 |           |
|            |              |          | NO ACCIDEN                   | TS. FULL CRE | WS. SAFI   | ETY MEETING    | G TOPIC-H | IEARING PI  | ROTECTION.          |                 |           |
|            |              |          | FUNCTION CO                  | OM FIRST CON | OT NO N    | UR, ALL CRE    | WS.       |             |                     |                 |           |
|            |              |          | UNMANNED                     | LOGGING UNI  | IT 4 DAYS  | ON LOCATIO     | N.        |             |                     |                 |           |
|            |              |          | HELD B.O.P. [                | ORILL EVENIN | G TOUR 8   | S SECONDS 7    | O SECURI  | E WELL.     |                     |                 |           |
| 04-02-20   | 08 Re        | ported I | By B                         | RIAN DUTTON  | Ŋ          |                |           |             |                     |                 |           |
| DailyCost  | s: Drilling  | \$3      | 34,580                       | Cor          | npletion   | \$0            |           | Dail        | y Total             | \$34,580        |           |
| Cum Cost   | ts: Drilling | \$:      | 567,282                      | Cor          | npletion   | \$5,065        |           | Well        | l Total             | \$572,347       |           |
| MD         | 8,658        | TVD      | 8,658                        | Progress     | 803        | Days           | 5         | MW          | 10.4                | Visc            | 38.0      |
| Formation  | n:           |          | <b>PBTD</b> : 0              | 0.0          |            | Perf:          |           |             | PKR De <sub>l</sub> | <b>pth:</b> 0.0 |           |
| Activity a | t Report Ti  | me: TOH  | FOR BIT                      |              |            |                |           |             |                     |                 |           |
| Start      | End          | Hrs      | Activity Desc                | ription      |            |                |           |             |                     |                 |           |
| 06:00      | 12:00        | 6.0      | DRILLED 7,85<br>MUD 10.3 PPC |              | 92' @ 65.3 | FPH), WOB 1    | 5–20K, GP | M 432, RPM  | 1 40/MOTOR          | 59, SPP 1950, N | IO FLARE  |
| 12:00      | 12:30        | 0.5      | SERVICE RIG<br>ANNULAR.      | , COMP, DRAW | / TOOL, T. | B.A., FUNCTI   | ON TEST ( | CROWN -O-   | - MATIC AND         | FUNCTION 1      | ΓEST      |
| 12:30      | 03:30        | 15.0     | DRILLED 8,24<br>MUD 10.5 PPC |              | 11' @ 27.4 | FPH), WOB I    | 5–20K, GP | M 432, RPN  | 1 40/MOTOR (        | 69, SPP 1950, N | IO FLARE  |
| 03:30      | 04:00        | 0.5      | DROP SURVE                   | Y.           |            |                |           |             |                     |                 |           |
| 04:00      | 04.20        | 0.5      | DIIMD DII I AI               | ND BLOW KEI  | LVDDV      |                |           |             |                     |                 |           |

|       |       | MOD 10.511 G, VIS 30.  |
|-------|-------|--|
| 12:00 | 12:30 | 0.5 SERVICE RIG, COMP, DRAW TOOL, T.B.A., FUNCTION TEST CROWN -O- MATIC AND FUNCTION TEST<br>ANNULAR.                            |
| 12:30 | 03:30 | 15.0 DRILLED 8,247' TO 8,658' (411' @ 27.4 FPH), WOB 15–20K, GPM 432, RPM 40/MOTOR 69, SPP 1950, NO FLARE. MUD 10.5 PPG, VIS 38. |
| 03:30 | 04:00 | 0.5 DROP SURVEY.   |
| 04:00 | 04:30 | 0.5 PUMP PILL AND BLOW KELLY DRY.  |
| 04:30 | 06:00 | 1.5 TRIP OUT OF HOLE @ 8,658' WITH BIT #2.   |
|       |       | DIESEL 3876 GALS(USED 1368). BOILER 14 HRS.  |
|       |       | NO ACCIDENTS. FULL CREWS. SAFETY MEETING TOPIC-USING PROPER TOOLS FOR THE JOB.   |
|       |       | FUNCTION COM FIRST CONN AND FIRST STAND OUT OF HOLE ON TOUR,   |
|       |       | CREWS FULL.  |
|       |       | UNMANNED LOGGING UNIT 5 DAYS ON LOCATION.  |

| 04-03-2008                    | Re       | ported By | В                  | RIAN DUTTON | /DAN LIN | IDSEY  |       |           |         |           |      |
|-------------------------------|----------|-----------|--------------------|-------------|----------|--------|-------|-----------|---------|-----------|------|
| DailyCosts: 1                 | Drilling | \$101,    | 278                | Com         | pletion  | \$0    |       | Daily     | Total   | \$101,278 |      |
| Cum Costs: Drilling \$668,560 |          | 560       | Completion \$5,065 |             |          | Well 7 | Total | \$673,625 |         |           |      |
| MD                            | 8,658    | TVD       | 8,658              | Progress    | 0        | Days   | 6     | MW        | 10.5    | Visc      | 34.0 |
| Formation:                    |          |           | <b>PBTD</b> : 0    | 0.0         |          | Perf:  |       |           | PKR Dep | oth: 0.0  |      |

Activity at Report Time: TFNB #4 @ 8658'

| Start | End   | Hrs | Activity Description                                     |
|-------|-------|-----|--|
| 06:00 | 07:00 | 1.0 | TRIP OUT OF HOLE @ 8,658' WITH BIT #2.                   |
| 07:00 | 09:00 | 2.0 | LD HUNTING MUD MOTOR. PU SMITH VDS MUD MOTOR. PU BIT #3. |
| 09:00 | 10:00 | 1.0 | SLIP & CUT 95' DRILL LINE.                               |
| 10:00 | 11:00 | 1.0 | TIH. TAGGED @ 4900.                                      |
| 11:00 | 14:00 | 3.0 | WASHED & REAMED 4900 TO 5100.                            |
| 14:00 | 14:30 | 0.5 | MIXED & PUMPED PILL.                                     |

| 14:30 | 17:00 | 2.5 SET & FUNCTION COM. TOOH W/BIT #3.                 |
|-------|-------|--|
| 17:00 | 18:30 | 1.5 LD SMITH VDS MOTOR. PU HUNTING MUD MOTOR & BIT #4. |
| 18:30 | 19:00 | 0.5 SERVICED RIG. FUNCTION PIPE RAMS & BLIND RAMS.     |
| 19:00 | 22:00 | 3.0 TIH W/BIT #4. TAGGED @ 5100.                       |
| 22:00 | 06:00 | 8.0 WASHED & REAMED 5100 TO 7300'.                     |
|       |       | THIS A.M. MUD 10.5 PPG, VIS 36.                        |
|       |       | DIESEL 7524 GALS(HAULED 4500, USED 852).               |
|       |       | BOILER 8 HRS.  |
|       |       | NO ACCIDENTS. FULL CREWS.                              |
|       |       | UNMANNED LOGGING UNIT DAY #6 ON LOCATION               |
|       |       |  |

| 04-04-20   | 008 Re       | eported B | <b>y</b> D.     | AN LINDSEY      |            |               |                   |               |                     |                 |      |
|------------|--------------|-----------|-----------------|-----------------|------------|---------------|-------------------|---------------|---------------------|-----------------|------|
| DailyCost  | ts: Drilling | \$3       | 0,035           | Con             | npletion   | \$0           |                   | Daily         | Total               | \$30,035        |      |
| Cum Cos    | ts: Drilling | \$6       | 98,595          | Con             | npletion   | \$5,065       | Well Total \$703, |               |                     | \$703,660       |      |
| MD         | 9,560        | TVD       | 9,560           | Progress        | 902        | Days          | 7                 | MW            | 10.6                | Visc            | 39.0 |
| Formatio   | n:           |           | <b>PBTD</b> : 0 | .0              |            | Perf:         |                   |               | PKR De <sub>l</sub> | <b>pth:</b> 0.0 |      |
| Activity a | ıt Report Ti | me: DRIL  | LING @ 9560'    |                 |            |               |                   |               |                     |                 |      |
| Start      | End          | Hrs       | Activity Desc   | ription         |            |               |                   |               |                     |                 |      |
| 06:00      | 08:00        | 2.0       | WASHED & R      | EAMED 7300 T    | O 8658(PU  | JSHED OBJEC   | T AHEAD           | OF BIT, NO    | FILL). FUN          | CTION COM.      |      |
| 08:00      | 09:00        | 1.0       | DRILLED 8658    | 3 TO 8718(60°), | WOB 18K    | , GPM 414, RP | M 40/MO           | TOR 66, SPP 2 | 2025, NO FL         | ARE.            |      |
| 00.00      | 00.20        | 0.5       | CEDLUCED DA     | a FINCEION      | DIDE D 4 1 |               | ~                 |               |                     |                 |      |

| 06:00 | 08:00 | 2.0 WASHED & REAMED 7300 TO 8658(PUSHED OBJECT AHEAD OF BIT, NO FILL). FUNCTION COM.   |
|-------|-------|--|
| 08:00 | 09:00 | 1.0 DRILLED 8658 TO 8718(60'), WOB 18K, GPM 414, RPM 40/MOTOR 66, SPP 2025, NO FLARE.  |
| 09:00 | 09:30 | 0.5 SERVICED RIG. FUNCTION PIPE RAMS & ANNULAR.  |
| 09:30 | 15:00 | 5.5 DRILLED 8718 TO 8931(213' @ 38.7 FPH), WOB 18K, GPM 414, RPM 40/MOTOR 66, SPP 2000, NO FLARE.  |
| 15:00 | 15:30 | 0.5 INSTALLED NEW BEARING & RUBBER, & DRIVE BUSHING IN ROTATING HEAD.  |
| 15:30 | 06:00 | 14.5 DRILLED 8931 TO 9560(629' @ 43.4 FPH), WOB 18–20K, GPM 432, RPM 30–40/MOTOR 69, SPP 2100, NO FLARE. THIS A.M. MUD 10.9 PPG, VIS 37. |
|       |       | DIESEL 6042 GALS(USED 1482). BOILER 12 HRS.  |
|       |       | NO ACCIDENTS. FULL CREWS. SAFETY TOPIC PPE.  |
|       |       | FUNCTION COM FIRST CONN ON TOUR, ALL CREWS.  |
|       |       | UNMANNED LOGGING 7 DAYS ON LOCATION.   |

| 04-05-2008                 | Re       | eported By | D               | AN LINDSEY |         |         |   |       |              |           |      |
|----------------------------|----------|------------|-----------------|------------|---------|---------|---|-------|--------------|-----------|------|
| DailyCosts:                | Drilling | \$48,5     | 05              | Con        | pletion | \$468   |   | Daily | Total        | \$48,973  |      |
| <b>Cum Costs: Drilling</b> |          | \$747,     | 101             | Completion |         | \$5,533 |   | Well  | <b>Fotal</b> | \$752,634 |      |
| MD                         | 9,670    | TVD        | 9,670           | Progress   | 110     | Days    | 8 | MW    | 10.9         | Visc      | 36.0 |
| Formation:                 |          |            | <b>PBTD</b> : 0 | 0.0        |         | Perf:   |   |       | PKR Dep      | oth: 0.0  |      |

Activity at Report Time: RUNNING CSG

| Start | End   | Hrs | Activity Description  |
|-------|-------|-----|---|
| 06:00 | 09:00 | 3.0 | DRILLED 9560 TO 9651(91' @ 30.3 FPH), WOB 20K, GPM 414, RPM 40/MOTOR 66, SPP 2050, NO FLARE.  |
| 09:00 | 09:30 | 0.5 | SERVICED RIG. FUNCTION PIPE RAMS.   |
| 09:30 | 10:00 | 0.5 | DRILLED 9651 TO 9670 TD (19' @ 38.0 FPH), WOB 20K, GPM 414, RPM 40/MOTOR 66, SPP 2100, NO FLARE. FINAL MUD 10.9 PPG, VIS 37. REACHED TD AT 10:00 HRS, 4/4/08. |
| 10:00 | 12:00 | 2.0 | CIRCULATED HOLE CLEAN, CONDITIONED MUD. PUMPED PILL.  |
| 12:00 | 15:00 | 3.0 | SET & FUNCTION COM. SHORT TRIPPED 30 STDS TO 6830, WASHED THROUGH BRIDGE @ 9390. FINISHED SHORT TRIP 3 STDS.  |
| 15:00 | 16:30 | 1.5 | WASHED 60' TO 9670, NO FILL. CIRCULATED & CONDITIONED MUD, NO GAS. RU WEATHERFORD LD MACHINE. HELD SAFETY MEETING.  |

| 16:30 | 17:00 | 0.5 DROPPED SURVEY. PUMPED PILL.  |
|-------|-------|---|
| 17:00 | 22:00 | 5.0 LDDP.   |
| 22:00 | 23:30 | 1.5 BROKE KELLY. LD BHA.  |
| 23:30 | 00:00 | 0.5 PULLED WEAR BUSHING.  |
| 00:00 | 01:00 | 1.0 RU WEATHERFORD CSG CREW. HELD SAFETY MEETING.                         |
| 01:00 | 06:00 | 5.0 STARTED RUNNING 4.5" 11.6# N80 CASING, 170 JTS IN HOLE @ REPORT TIME. |
|       |       |   |

NOTIFIED JAMIE SPARGER/BLM/VERNAL @ 1130 HRS 4/4/08 OF CSG & CMT JOB.

DIESEL 5130 GALS(USED 912). BOILER 12 HRS.

|             |             | NO A         | CCIDEN              | rs. Daylight   | CREW 1                 | MAN SHORT,      | OTHER C   | REWS FULI              | Ĺ.            |                 |       |
|-------------|-------------|--------------|---------------------|--|------------------------|-----------------|-----------|------------------------|---------------|-----------------|-------|
|             |             | UNM          | IANNED!             | LOGGING UNI  | T 8 DAYS               | ON LOCATIO      | N, RELEAS | SED @ 1700             | ) HRS 4/4/08. |                 |       |
|             |             | FUN          | CTION CO            | OM FIRST CON   | IN ON TO               | UR, DAYLIGH     | T.        |                        |               |                 |       |
| 0406200     | 08 Re       | eported By   | D.                  | AN LINDSEY   |                        |                 |           |                        |               |                 |       |
| DailyCosts  | s: Drilling | \$37,401     |                     | Con  | apletion               | \$79,098        |           | Dail                   | y Total       | \$116,499       |       |
| Cum Cost    | s: Drilling | \$784,50     | )2                  | Con  | npletion               | \$84,631        |           | Well                   | l Total       | \$869,133       |       |
| MD          | 9,670       | TVD          | 9,670               | Progress   | 0                      | Days            | 9         | $\mathbf{M}\mathbf{W}$ | 0.0           | Visc            | 0.0   |
| Formation   | ı:          | 1            | PBTD:               | .0   |                        | Perf:           |           |                        | PKR De        | <b>pth:</b> 0.0 |       |
| Activity at | t Report Ti | me: MOVING   | RIG TO E            | CW 4-5   |                        |                 |           |                        |               |                 |       |
| Start       | End         | Hrs Acti     | vity Desc           | ription  |                        |                 |           |                        |               |                 |       |
| 06:00       | 07:30       | SHO          | E JT, TOP           | NNING (FS, 1 )<br>OF #2, EVERY<br>LANDED CS                    | 2ND JT T               | O 6752). TAGO   | GED @ 967 | 0. LD TAG              | JT & PU LAI   |                 |       |
| 07:30       | 09:00       |              | ULATED<br>ETY MEE   | GAS OUT. RE  | WEATHE                 | RFORD CSG       | CREW & L  | D MACHIN               | E. RU SLB C   | EMENTER. H      | ELD   |
| 09:00       | 11:00       | (152<br>DISP | BBLS @ 1<br>W/150 B | SG AS FOLLO<br>12.0 PPG, 2.26 (<br>FW(FULL RET<br>F, FLOATS HE | CFS) & 154<br>URNS DUI | 0 SX 50/50 PC   | Z G(354 B | BLS @ 14.1             | PPG, 1.29 CF  | S). DROPPED     | PLUG. |
| 11:00       | 12:00       | 1.0 RD S     | LB CEME             | ENTER. WOC.  | TRANSFE                | ERRED MUD/O     | CLEANED   | MUD TANI               | ζS.           |                 |       |
| 12:00       | 13:00       |              |                     | ANDING JT. RA<br>GER TO 5000 P                                 |                        | ANGER PACK      | OFF ON L  | ANDING JT              | AND LOCKI     | ED IN POSITIC   | ON.   |
|             |             | HAU          | LED 800             | BBLS MUD TO  | STORAGI                | E.              |           |                        |               |                 |       |
|             |             | NO A         | CCIDEN              | rs. full cre   | WS.                    |                 |           |                        |               |                 |       |
|             |             | UNM          | IANNED              | MUD LOGGIN   | G UNIT 8 I             | DAYS ON LOC     | CATION    |                        |               |                 |       |
|             |             | ****         | *****RIG            | G RELEASED (   | @ 1300 HR              | S 4/5/08****    | *******   |                        |               |                 |       |
|             |             | TRA          | NSFERRE             | D 4 JTS(169.87   | ) 4.5" 11.6            | # N80 LTC CA    | SING TO E | CW 4-5.                |               |                 |       |
|             |             | TRA          | NSFERRE             | D 2 MARKER   | JTS(43.91'             | ) 4.5" 11.6# HO | CP-110 CA | SING TO E              | CW 4-5.       |                 |       |
|             |             | TRA          | NSFERRE             | D 2508 GALS  | DIESEL TO              | DECW 4-5.       |           |                        |               |                 |       |
|             |             | TRU          | CKS SCH             | EDULED FOR   | 0700 HRS               | 4/6/08. MOVE    | TO ECW 4  | 1–5 IS APPR            | ROXIMATELY    | 0.3 MILE.       |       |
| 13:00       | 06:00       |              |                     | RED DERRICK  |                        |                 | JED RDRT  | •                      |               |                 |       |
|             |             | 15 M         | EN, X MA            | N-HOURS. N   | O ACCIDE               | ENTS.           |           |                        |               | Ann             |       |
| 04-12-200   | 08 Re       | eported By   | M                   | CCURDY   |                        |                 |           |                        |               |                 |       |
| DailyCosts  | s: Drilling | \$0          |                     | Con  | apletion               | \$1,653         |           | Dail                   | y Total       | \$1,653         |       |
| Cum Cost    | s: Drilling | \$784,50     | )2                  | Con  | npletion               | \$86,284        |           | Well                   | Total         | \$870,786       |       |
| MD          | 9,670       | TVD          | 9,670               | Progress   | 0                      | Days            | 10        | MW                     | 0.0           | Visc            | 0.0   |
| Formation   | ı:          | j            | <b>PBTD</b> : 9     | 616.0  |                        | Perf:           |           |                        | PKR De        | <b>pth:</b> 0.0 |       |

Activity at Report Time: WO COMPLETION

Start End Hrs Activity Description

1050'. RD SCHLUMBERGER.

#### NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.

| 04-24-20                   | 008 R        | eported l | By KI  | ERN                      |                               |                                 |                     |                                 |                           |                                |                         |
|----------------------------|--------------|-----------|--|--------------------------|-------------------------------|---------------------------------|---------------------|---------------------------------|---------------------------|--------------------------------|-------------------------|
| DailyCost                  | ts: Drilling | \$        | 0  |                          | Completion                    | \$11,399                        |                     | Daily                           | Total                     | \$11,399                       |                         |
| Cum Cos                    | ts: Drilling | \$        | 784,502  |                          | Completion                    | \$97,683                        |                     | Well T                          | Total                     | \$882,185                      |                         |
| MD                         | 9,670        | TVD       | 9,670  | Progres                  | ss 0                          | Days                            | 11                  | MW                              | 0.0                       | Visc                           | 0.0                     |
| Formation: MESAVERDE PBTD: |              |           | <b>PBTD</b> : 9  | 616.0                    |                               | Perf: 9205'-                    | -9446'              |                                 | PKR De <sub>l</sub>       | <b>pth:</b> 0.0                |                         |
| Activity a                 | t Report Ti  | me: FRA   | C MESAVERDE  | 3                        |                               |                                 |                     |                                 |                           |                                |                         |
| Start                      | End          | Hrs       | <b>Activity Desc</b>   | ription                  |                               |                                 |                     |                                 |                           |                                |                         |
| 06:00                      | 06:00        | 24.0      | RU CUTTERS '9286'-87', 930'<br>PHASING. RD'<br>PAD, 48452 GA | 7'–08', 935<br>WL. RU SC | 57'–58', 9366'–<br>CHLUMBERGE | 67', 9392'–93',<br>ER, FRAC DOW | 9398'–99<br>N CASIN | ', 9426'–27', 9<br>G W/ 165 GAI | 9439'–40', 9<br>L GYPTRON | 445'-46' @ 3 S<br>NT-106, 4573 | SPF @ 120°<br>GAL YF116 |

| 04-25-2008    | Re       | ported By | , K   | ERN      |         |                      |        |        |              |           |     |
|---------------|----------|-----------|-------|----------|---------|----------------------|--------|--------|--------------|-----------|-----|
| DailyCosts: 1 | Drilling | \$0       |       | Com      | pletion | \$1,543              |        | Daily  | Total        | \$1,543   |     |
| Cum Costs:    | Drilling | \$78      | 4,502 | Com      | pletion | \$99,226             |        | Well ' | <b>Total</b> | \$883,728 |     |
| MD            | 9,670    | TVD       | 9,670 | Progress | 0       | Days                 | 12     | MW     | 0.0          | Visc      | 0.0 |
| Formation:    | MESAVE   | RDE       | PBTD: | 9616.0   |         | <b>Perf</b> : 7990'- | -9446' |        | PKR De       | pth: 0.0  |     |

ATR 44.6 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER. SDFN.

Activity at Report Time: FRAC

Start End Hrs Activity Description

06:00 06:00

24.0 RUWL. SET 10K CFP AT 9165'. PERFORATE LPR FROM 8935'-36', 8959'-60', 8969'-70', 8994'-95', 9025'-26', 9038'-39', 9051'-52', 9087'-88', 9096'-97', 9106'-07', 9133'-34', 9140'-41' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 165 GAL GYPTRON T-106, 4576 GAL YF116 PAD, 47308 GAL YF116ST+ W/142800# 20/40 SAND @ 1-5 PPG. MTP 6281 PSIG. MTR 50 BPM. ATP 4985 PSIG. ATR 43.7 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8905'. PERFORATE MPR FROM 8650'-51', 8656'-57', 8670'-71', 8677'-78', 8685'-86', 8707'-08', 8791'-92', 8822'-24', 8849'-50', 8863'-64', 8880'-81' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4152 GAL YF116 PAD, 29000 GAL YF116ST+ W/75700# 20/40 SAND @ 1-4 PPG. MTP 6965 PSIG. MTR 51.1 BPM. ATP 5595 PSIG. ATR 41.7 BPM. ISIP 6000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8610'. PERFORATE MPR FROM 8442'-43', 8456'-57', 8464'-65', 8479'-80', 8493'-94', 8511'-12', 8533'-34', 8538'-39', 8551'-52', 8568'-69', 8578'-79', 8591'-92' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 6629 GAL YF116 PAD, 44931 GAL YF116ST+ W/117400# 20/40 SAND @ 1-4 PPG. MTP 6650 PSIG. MTR 50.2 BPM. ATP 5772 PSIG. ATR 32.5 BPM. ISIP 3450 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8410'. PERFORATE MPR FROM 8264'650', 8271'-72', 8293'-94', 8308'-09', 8321'-22', 8335'-36', 8343'-44', 8358'-59', 8364'-65', 8372'-73', 8383'-84', 8390'-91' 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4558 GAL YF116 PAD, 56365 GAL YF116ST+ W/166100# 20/40 SAND @ 1-5 PPG. MTP 5154 PSIG. MTR 51.8 BPM. ATP 3964 PSIG. ATR 47.5 BPM. ISIP 2230 PSIG. RD SCHLUMBERGER.

RUWL, SET 10K CFP AT 8225', PERFORATE MPR FROM 7990'-91', 7998'-99', 8015'-16', 8024'-25', 8039'-40', 8070'-71', 8089'-90', 8105'-06', 8120'-21', 8180'-81', 8188'-89', 8202'-03' @ 3 SPF @ 120° PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4563 GAL YF116 PAD, 68053 GAL YF116ST+ W/202700# 20/40 SAND @ 1-5 PPG. MTP 5626 PSIG. MTR 51.8 BPM. ATP 4167 PSIG. ATR 47.5 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER. SDFN

| 04-26-2008    | Re       | eported By | K               | ERN      |          |                      |       |       |         |                 |     |
|---------------|----------|------------|-----------------|----------|----------|----------------------|-------|-------|---------|-----------------|-----|
| DailyCosts: I | Orilling | \$0        |                 | Cor      | npletion | \$507,225            |       | Daily | Total   | \$507,225       |     |
| Cum Costs: 1  | Drilling | \$784      | 1,502           | Cor      | npletion | \$606,451            |       | Well  | Total   | \$1,390,953     |     |
| MD            | 9,670    | TVD        | 9,670           | Progress | 0        | Days                 | 13    | MW    | 0.0     | Visc            | 0.0 |
| Formation:    |          |            | <b>PBTD</b> : 9 | 616.0    |          | <b>Perf</b> : 5576'- | 9446' |       | PKR Dep | <b>pth:</b> 0.0 |     |

MESAVERDE/WASATCH

Activity at Report Time: PREP TO MIRUSU

BPM. ISIP 2840 PSIG. RD SCHLUMBERGER.

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | RUWL. SET 10K CFP AT 7925'. PERFORATE UPR FROM 7614'-15', 7617'-18', 7658'-59', 7680'-81', 7686'-87',   |
|       |       |      | 7759'-60', 7766'-67', 7784'-85', 7856'-57', 7879'-80', 7891'-92', 7899'-00' 3 SPF @ 120 DEGREE PHASING. |
|       |       |      | RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4146 GAL YF116 PAD, 45815              |
|       |       |      | GAL YF116ST+ W/136300# 20/40 SAND @ 1-5 PPG, MTP 5075 PSIG, MTR 52.2 BPM, ATP 4454 PSIG, ATR 47.3       |

RUWL. SET 10K CFP AT 7525', PERFORATE NORTH HORN FROM 7267'-68', 7279'-80', 7300'-01', 7320'-21'. 7329'-30', 7340'-41', 7356'-57', 7362'-63', 7404'-05', 7411'-12', 7429'-30', 7505'-06' @ 3 SPF @ 120 DEGREE PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106, 4174 GAL YF116 PAD, 58561 GAL YF116ST+ W/173100 # 20/40 SAND @ 1-5 PPG, MTP 4656 PSIG, MTR 52.6 BPM, ATP 3621 PSIG. ATR 45.9 BPM. ISIP 2210 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7210'. PERFORATE NORTH HORN FROM 6925'-26', 6931'-32', 6953'-54', 6972'-73', 7007'-08', 7038'-40', 7084'-85', 7120'-21', 7140'-41', 7177'-78', 7197'-98' @ 3 SPF @ 120 DEGREE PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/165 GAL GYPTRON T-106,4145 GAL YF116 PAD, 35889 GAL YF116ST+ W/105000# 20/40 SAND @ 1-5 PPG. MTP 5976 PSIG. MTR 51.4 BPM. ATP 4485 PSIG. ATR 44.4 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6815'. PERFORATE Ba FROM 6563'-64', 6573'-74', 6604'-05', 6630'-31', 6657'-58', 6673'-74', 6707'-08', 6738'-39', 6758'-59', 6788'-89', 6793'-95' @ 3 SPF @ 120 DEGREE PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/4146 GAL YF116 PAD, 34323 GAL YF116ST+ W/95800# 20/40 SAND @ 1-4 PPG. MTP 5614 PSIG. MTR 51.6 BPM. ATP 3784 PSIG. ATR 46.7 BPM. ISIP 1770 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 6485'. PERFORATE Ba FROM 6209'-10', 6220'-21', 6234'-35', 6263'-64', 6278'-79'. 6308'-10', 6377'-79', 6408'-09', 6448'-49', 6470'-71' @ 3 SPF @ 120 DEGREE PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 3107 GAL YF116 PAD, 33093 GAL YF116ST+ W/ 83000 # 20/40 SAND @ 1-4 PPG. MTP 6032 PSIG. MTR 51.6 BPM. ATP 3966 PSIG. ATR 44.4 BPM. ISIP 1520 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5800'. PERFORATE Ca FROM 5728'-30', 5734'-36', 5740'-42', 5749'-51', 5756'-58' @ 3 SPF @ 120 DEGREE PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/ 3124 GAL YF116 PAD, 37806 GAL YF116ST+ W/100600# 20/40 SAND @ 1-4 PPG. MTP 3620 PSIG. MTR 40.2 BPM. ATP 3200 PSIG. ATR 35.2 BPM. ISIP 2680 PSIG. RD SCHLUMBERGER.

RUWL. SET 6K CFP AT 5625'. PERFORATE Ca FROM 5576'-80', 5584'-88', 5600'-02' @ 3 SPF @ 120 DEGREE PHASING. RDWL. RU SCHLUMBERGER, FRAC DOWN CASING W/3113 GAL YF116 PAD, 35966 GAL YF116ST+ W/94500# 20/40 SAND @ 1–4 PPG. MTP 4134 PSIG. MTR 38.5 BPM. ATP 3381. PSIG. ATR 33.6 BPM. ISIP 2670 PSIG. RDMO SCHLUMBERGER.

RUWL. SET 6K CBP AT 5457'. RDWL. SDFN.

Form 3160-5 ugust 2007)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

| FORM APPRO       | OVED    |
|------------------|---------|
| OMB NO. 1004     | 4-0135  |
| Expires: July 31 | 1, 2010 |

5. Lease Serial No.

| SUNDRY NOTICES AND REPORTS ON WELL                       | S     |
|--|-------|
| Do not use this form for proposals to drill or to re-ent | er an |
| abandoned well. Use form 3160-3 (APD) for such prop      |       |

| SUNDRY  | UTU01304  |                                   |                             |                   |   |                               |
|---|---|-----------------------------------|-----------------------------|-------------------|---|-------------------------------|
| Do not use thi<br>abandoned we  | is form for proposals to<br>II. Use form 3160-3 (APL  | drill or to re<br>D) for such p   | enter an<br>roposals.       |                   | 6. If Indian, Allottee o                | r Tribe Name                  |
| SUBMIT IN TRI   | PLICATE - Other instruc   | tions on rev                      | erse side.                  |                   | 7. If Unit or CA/Agree                  | ement, Name and/or No.        |
| Type of Well     Oil Well   | 8. Well Name and No.<br>EAST CHAPITA 3-05   |                                   |                             |                   |   |                               |
| Name of Operator     EOG RESOURCES INC.   |   | MARY A. MA<br>stas@eogresor       |                             |                   | 9. API Well No.<br>43-047-37854         |                               |
| 3a. Address<br>600 17TH STREET SUITE 10<br>DENVER, CO 80202   | 00N   | 3b. Phone No<br>Ph: 303-82        | (include area cod<br>4-5526 | e)                | 10. Field and Pool, or<br>NATURAL BUT   | Exploratory<br>TES/WASATCH/MV |
| 4. Location of Well (Footage, Sec., T   | ., R., M., or Survey Description)   | )                                 |                             |                   | <ol> <li>County or Parish, a</li> </ol> | and State                     |
| Sec 5 T9S R23E NENW 796F<br>40.06980 N Lat, 109.35345 W   |   |                                   |                             |                   | UINTAH COUN                             | TY, UT                        |
| 12. CHECK APPE  | ROPRIATE BOX(ES) TO   | INDICATE                          | NATURE OF                   | NOTICE, RI        | EPORT, OR OTHEI                         | R DATA                        |
| TYPE OF SUBMISSION  |   |                                   | ТҮРЕ С                      | OF ACTION         |   |                               |
| ☐ Notice of Intent  | ☐ Acidize   | ☐ Deep                            | en                          | □ Product         | ion (Start/Resume)                      | ■ Water Shut-Off              |
| _   | ☐ Alter Casing  | ☐ Frac                            | ture Treat                  | ☐ Reclam          | ation                                   | ■ Well Integrity              |
|   | □ Casing Repair   | □ New                             | Construction                | □ Recomp          | olete                                   |                               |
| ☐ Final Abandonment Notice  | □ Change Plans  | -                                 | and Abandon                 |                   | arily Abandon                           | 1 Toduction Start-up          |
|   | ☐ Convert to Injection  | ☐ Plug                            | Back                        | ☐ Water I         | Disposal                                |                               |
| Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit.  The referenced well was turned the state of the referenced well. | operations. If the operation respondonment Notices shall be file inal inspection.) and to sales on 5/23/2008. | sults in a multipl                | e completion or re-         | completion in a r | new interval, a Form 316                | 0-4 shall be filed once       |
| , , , , ,   | Electronic Submission #<br>For EOG F  |                                   | NČ., sent to the            | e Vernal          | _                                       |                               |
| Name(Printed/Typed) MARY A.   | MAESTAS   |                                   | Title REGU                  | ILATORY AS        | SISTANT                                 |                               |
| Signature MANEJectronics  | Submission (1)  |                                   | Date 05/27/                 | 2008              |   | co.                           |
| . )   | THIS SPACE FO   | R FEDERA                          | L OR STATE                  | OFFICE U          | SE                                      |                               |
| Approved By   |   |                                   | Title                       |                   |   | Date                          |
| Conditions of approval, if any, are attache<br>certify that the applicant holds legal or equal<br>which would entitle the applicant to condu  | uitable title to those rights in the  | not warrant or<br>e subject lease | Office                      |                   |   |                               |
| Title 18 U.S.C. Section 1001 and Title 43<br>States any false, fictitious or fraudulent   | U.S.C. Section 1212, make it a statements or representations as   | crime for any pe                  | rson knowingly ar           | nd willfully to m | ake to any department or                | agency of the United          |

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

MAY 28 2008

Form 3160-5 (August 2007)

### UNITED STATES DEPARTMENT OF THE INTERIOR RUREAU OF LAND MANAGEMENT

| FORM APPROVED          |
|------------------------|
| OMB NO. 1004-0135      |
| Expires: Inly 31, 2010 |

| Bi  | UREAU OF LAND MANA  | GEMENT                                  |  |                                  |   |                          |            |
|---|---|---|--|----------------------------------|---|--------------------------|------------|
| SUNDRY  | 5. Lease Serial No.<br>UTU01304   |   |  |                                  |   |                          |            |
| Do not use thi<br>abandoned we  | 6. If Indian, Allottee or   | Tribe Name                              |  |                                  |   |                          |            |
| SUBMIT IN TRI   | 7. If Unit or CA/Agreement, Name and/or No.   |   |  |                                  |   |                          |            |
| Type of Well     Oil Well   | ner   |   |  |                                  | 8. Well Name and No.<br>EAST CHAPITA 3  | -05                      |            |
| Name of Operator     EOG RESOURCES INC.   | Contact:<br>E-Mail: mary_mae  | MARY A. MA<br>stas@eogreso              |  |                                  | 9. API Well No.<br>43-047-37854         |                          |            |
| 3a. Address<br>600 17TH STREET SUITE 10<br>DENVER, CO 80202   | 00N   | 3b. Phone No<br>Ph: 303-82              | . (include area code<br>4-5526             | e)                               | 10. Field and Pool, or I<br>NATURAL BUT | ∃xploratory<br>ΓES/WASA⁻ | TCH/MV     |
| 4. Location of Well (Footage, Sec., T   | ., R., M., or Survey Description  | )                                       |  |                                  | 11. County or Parish, a                 | nd State                 |            |
| Sec 5 T9S R23E NENW 796F<br>40.06980 N Lat, 109.35345 W   |   |   |  |                                  | UINTAH COUN                             | ΓΥ, UT                   |            |
| 12. CHECK APPR  | ROPRIATE BOX(ES) TO   | ) INDICATE                              | NATURE OF                                  | NOTICE, R                        | EPORT, OR OTHER                         | R DATA                   |            |
| TYPE OF SUBMISSION  |   |   | TYPE C                                     | F ACTION                         |   |                          |            |
| - Nicking of Internal   | ☐ Acidize   | □ Dee                                   | pen  | ☐ Product                        | tion (Start/Resume)                     | ☐ Water S                | Shut-Off   |
| ☐ Notice of Intent  | ☐ Alter Casing  |   | ture Treat                                 | ☐ Reclam                         |   | □ Well Int               | tegrity    |
| Subsequent Report   | □ Casing Repair   | ☐ Nev                                   | Construction                               | □ Recomp                         | olete                                   | Other                    |            |
| ☐ Final Abandonment Notice  | ☐ Change Plans  | Plug                                    | and Abandon                                | ☐ Tempor                         | ☐ Temporarily Abandon                   |                          | n Start-up |
|   | ☐ Convert to Injection  | Plug                                    | Back                                       | ■ Water I                        | ☐ Water Disposal                        |                          |            |
| Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fither referenced well was turne Amended from a previous sub | operations. If the operation re-<br>pandonment Notices shall be file<br>and inspection.)  and to sales on 5/5/2008. | sults in a multipl<br>ed only after all | e completion or rec<br>requirements, inclu | completion in a ding reclamation | new interval, a Form 3160               | )-4 shall be file        | ed once    |
| 14. I hereby certify that the foregoing is  | Electronic Submission #<br>For EOG I  | 60725 verified<br>RESOURCES             | NČ., sent to the                           | Vernal                           | •                                       |                          |            |
| Name(Printed/Typed) MARY A. I   | MAESTAS   |   | Title REGU                                 | LATORY AS                        | SISTANT                                 |                          |            |
| Signature \\\ \( \hat{\telectronics}  | Submission) a e a   |   | Date 06/09/2                               | 2008                             |   | _                        |            |
|   | THIS SPACE FO   | OR FEDERA                               | L OR STATE                                 | OFFICE U                         | SE                                      |                          |            |
| Approved By   |   |   | Title                                      |                                  |   | Date                     |            |
| Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to condu  | itable title to those rights in the   | not warrant or<br>e subject lease       | Office                                     |                                  |   |                          |            |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s  | U.S.C. Section 1212, make it a statements or representations as   | crime for any po                        | erson knowingly an                         | d willfully to m                 | ake to any department or                | agency of the U          | United     |
|   |   |   |  |                                  |   |                          |            |

Form 3160-4

## UNITED STATES

FORM APPROVED OMB No. 1004-0137

| (August 2007)   |                             |                  |                    |                         |              | IAGEMEI           |                        |                                      |                |                |                                  |         | Expir                   | es: Jul     | y 31, 2010  |
|---|-----------------------------|------------------|--------------------|-------------------------|--------------|-------------------|------------------------|--------------------------------------|----------------|----------------|----------------------------------|---------|-------------------------|-------------|---|
|   | WELL (                      | COMPL            | ETION O            | R REC                   | OMPLE        | TION R            | EPORT                  | AND L                                | .OG            |                | Ī                                |         | ase Serial N<br>TU01304 | lo.         |   |
| 1a. Type of   | f Well                      | Oil Well         | <b>⊠</b> Gas V     | Well                    | Dry          | Other             |                        |                                      |                |                | Ť                                | 6. If   | Indian, Allo            | ttee o      | r Tribe Name  |
| b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.  Other |                             |                  |                    |                         |              |                   | vr.                    | 7. Unit or CA Agreement Name and No. |                |                |                                  |         |                         |             |   |
| 2. Name of EOG R  | Operator<br>ESOURCES        |                  | E                  | -Mail: mar              |              | t: MARY Aas@eogre |                        |                                      |                |                |                                  |         | ase Name a<br>AST CHAF  |             |   |
| 3. Address  | 600 17TH<br>DENVER.         |                  |                    | 00N                     |              |                   | . Phone N<br>n: 303-82 |                                      | e area c       | ode)           |                                  | 9. A    | PI Well No.             |             | 43-047-37854  |
| 4. Location   | of Well (Rep                | port locati      | on clearly an      | d in accord             | lance with   | Federal rea       | quirements             | s)*                                  |                |                |                                  |         |                         |             | Exploratory<br>ES/WASATCH/MV                                      |
| At surfa  | ce Lot 3 7                  | '96FNL 1         | 926FWL 40          | .06980 N                | Lat, 109.    | 35345 W I         | Lon                    |                                      |                |                | ŀ                                | 11. S   | ec., T., R.,            | M., or      | Block and Survey<br>S R23E Mer SLB                                |
| At top p  | orod interval r             | •                |                    |                         |              |                   |                        | 09.35345                             | W Lo           | n              | }                                | 12. (   | County or Pa            |             | 13. State   |
| At total  |                             | 3 796FNI         | L 1926FWL          |                         |              | 09.35345          |                        | C 1                                  | . 1            |                |                                  |         | INTÁH                   | NE 10       | UT  |
| 14. Date Sp<br>11/16/2  |                             |                  |                    | ite T.D. Re<br>/04/2008 | ached        |                   | □ D &                  | e Complete<br>A <b>2</b><br>5/2008   | ed<br>Ready    | to Pro         |                                  | 17. E   |                         | 2 GL        | B, RT, GL)*   |
| 18. Total D   | epth:                       | MD<br>TVD        | 9670               | 19                      | ). Plug Ba   | ack T.D.:         | MD<br>TVD              | 96                                   | 16             | 2              | 0. Dept                          | h Bri   | ige Plug Set            |             | MD<br>TVD   |
| RST/CI  | lectric & Oth<br>BL/CCL/VDL | /GR /-           | Temp               |                         |              | ach)              |                        |                                      | v              | Vas DS         | ll cored?<br>T run?<br>onal Surv |         | 🛛 No [                  | 🕽 Yes       | s (Submit analysis)<br>s (Submit analysis)<br>s (Submit analysis) |
| 23. Casing ar   | nd Liner Reco               | ord (Repo        | rt all strings     |                         |              |                   |                        | Τ                                    |                | T              |                                  |         |                         |             | ı   |
| Hole Size   | Size/G                      | rade             | Wt. (#/ft.)        | Top<br>(MD)             | Botto<br>(MI | -                 | e Cemente:<br>Depth    | Type o                               | of Sks. of Cem |                | Slurry Vo<br>(BBL)               |         | Cement Top*             |             | Amount Pulled   |
| 12.250  | 9.6                         | 25 J-55          | 36.0               |                         | 0 2          | 2522              |                        |                                      |                | 680            | )                                |         |                         |             |   |
| 7.875   | 4.5                         | 00 N-80          | 11.6               |                         | 0 .          | 9662              |                        |                                      |                | 920            |                                  |         |                         |             |   |
|   |                             |                  |                    |                         | +            | -+                | ***                    |                                      |                | $\dashv$       |                                  |         |                         |             | <u>.                                    </u>                      |
|   |                             |                  |                    |                         |              |                   |                        |                                      |                |                |                                  |         |                         |             |   |
|   | <u></u>                     | ]                |                    |                         |              |                   |                        |                                      |                |                |                                  |         |                         |             |   |
| 24. Tubing<br>Size  | Depth Set (M                | (ID) P:          | acker Depth        | (MD)                    | Size         | Depth Set (       | MD)                    | Packer De                            | oth (M         | )) <u> </u>    | Size                             | De      | pth Set (MI             | <u>,, T</u> | Packer Depth (MD)   |
| 2.375   |                             | 8246             | icker Bepui        | (NID)                   | OIZC         |                   |                        |                                      |                |                | Size                             |         | pur oct (III            | 7           | Tucker Bopan (IVIB)   |
| 25. Producii  | ng Intervals                |                  |                    |                         |              | 26. Perfo         | ration Rec             | ord 55                               |                |                | 144                              | 4       |                         |             |   |
|   | ormation                    |                  | Тор                |                         | Bottom       |                   | Perforated             |                                      | 0.044          | _              | Size                             | 1       | lo. Holes               |             | Perf. Status  |
| B)  | CH/MESAVE                   | RDE              |                    | 5576                    | 9446         | <u> </u>          |                        | 9205 T<br>8935 T                     |                | _              |                                  | +       | 3                       |             | 1,,44   |
| C)  |                             |                  |                    |                         |              | 1                 |                        | 8650 T                               |                |                |                                  |         | 3                       |             |   |
| D)  |                             |                  |                    |                         |              |                   |                        | 8442 T                               | O 859          | 2              |                                  | Γ.      | 3                       |             |   |
|   | racture, Treat              |                  | nent Squeeze       | e, Etc.                 |              |                   |                        |                                      |                |                |                                  |         |                         |             |   |
|   | Depth Interva               |                  | 446 53,190 C       | SALS GELL               | FD WATE      | -B & 143.90       |                        | mount and                            | d Type         | of Mai         | terial                           |         |                         |             |   |
|   |                             |                  | 141 52,049         |                         |              |                   |                        |                                      |                |                |                                  |         | _                       | <u> </u>    |   |
|   | 86                          | 50 TO 88         | 33,317 (           | GALS GELL               | ED WATE      | ER & 75,700       | )# 20/40 S/            | AND                                  |                |                |                                  |         |                         |             |   |
| 20. 5. 1. 1   |                             |                  | 592 51,725 (       | GALS GELL               | ED WATE      | ER & 117,40       | 00# 20/40 \$           | SAND                                 | _              |                |                                  |         |                         |             |   |
| Date First  | ion - Interval              | Hours            | Test               | Oil                     | Gas          | Water             | Oil C                  | ravity                               | To             | as             | TF                               | roducti | on Method               | .,          |   |
| Produced<br>05/05/2008  | Date<br>05/28/2008          | Tested<br>24     | Production         | BBL<br>25.0             | MCF<br>282.0 | BBL               | Corr.                  |                                      |                | ravity         |                                  |         | FLOW                    | /S FB(      | OM WELL   |
| Choke   | Tbg. Press.                 | Csg.             | 24 Hr.             | Oil                     | Gas          | Water             | Gas:                   |                                      | \<br>\         | Vell Stati     | ıs                               |         | . 20 ,                  |             | J   |
| Size 12/64"   | Flwg. 1225<br>SI            | Press.<br>2500.0 | Rate               | BBL 25                  | MCF<br>282   | BBL<br>23         | Ratio                  | •                                    |                | PG             | W                                |         |                         |             |   |
|   | tion - Interva              | Ц                |                    |                         |              |                   | <u> </u>               | <del>-:</del>                        |                |                |                                  |         |                         |             |   |
| Date First<br>Produced  | Test<br>Date                | Hours<br>Tested  | Test<br>Production | Oil<br>BBL              | Gas<br>MCF   | Water<br>BBL      |                        | Gravity<br>. API                     |                | Gas<br>Gravity | F                                | roduct  | ion Method              |             |   |
| Choke<br>Size   | Tbg. Press.<br>Flwg.        | Csg.<br>Press.   | 24 Hr.<br>Rate     | Oil<br>BBL              | Gas<br>MCF   | Water<br>BBL      | Gas:0<br>Ratio         |                                      | 1              | Vell Stati     | us                               |         |                         |             |   |

RECEIVED

| 20h Drod               | luction Inton  | ol C                     |                                    |                                |                              |                                    |   |                           |                                  | ****   |  |
|------------------------|--|--------------------------|------------------------------------|--------------------------------|------------------------------|------------------------------------|---|---------------------------|----------------------------------|--|--|
| Date First             | luction - Interv                                     | Hours                    | Test                               | Oil                            | Gas                          | Water                              | Oil Gravity   | Gas                       |                                  | Production Method  |  |
| Produced               | Date   | Tested                   | Production                         | BBL                            | MCF                          | BBL                                | Corr. API   | Gravit                    | у                                |  |  |
| Choke<br>Size          | Tbg. Press.<br>Flwg.<br>SI                           | Csg.<br>Press.           | 24 Hr.<br>Rate                     | Oil<br>BBL                     | Gas<br>MCF                   | Water<br>BBL                       | Gas:Oil<br>Ratio                                      | Well S                    | Status                           |  |  |
| 28c. Prod              | luction - Interv                                     | al D                     |                                    |                                |                              |                                    |   |                           |                                  |  |  |
| Date First<br>Produced | Test<br>Date   | Hours<br>Tested          | Test<br>Production                 | Oil<br>BBL                     | Gas<br>MCF                   | Water<br>BBL                       | Oil Gravity<br>Corr. API                              | Gas<br>Gravit             | Production Method ity            |  |  |
| Choke<br>Size          | Tbg. Press.<br>Flwg.<br>SI                           | Csg.<br>Press.           | 24 Hr.<br>Rate                     | Oil<br>BBL                     | Gas<br>MCF                   | Water<br>BBL                       | Gas:Oil<br>Ratio                                      | Well S                    | Well Status                      |  |  |
| 29. Dispo              | osition of Gas(                                      | Sold, used               | for fuel, vent                     | ed, etc.)                      | •                            |                                    |   | •                         |                                  |  |  |
| 30. Sumn               | nary of Porous                                       | Zones (In                | clude Aquife                       | rs):                           |                              |                                    |   |                           | 31. For                          | rmation (Log) Markers  |  |
| tests,                 | all important including dept ecoveries.              | zones of p<br>h interval | orosity and cotested, cushic       | ontents there<br>on used, time | eof: Cored in<br>tool open,  | ntervals and all<br>flowing and sh | l drill-stem<br>nut-in pressures                      |                           |                                  |  |  |
|                        | Formation  |                          | Тор                                | Bottom                         |                              | Descriptions                       | s, Contents, etc.                                     |                           |                                  | Name   | Top<br>Meas. Depth   |
| 32. Addit<br>Pleas     | ional remarks se see the att nation.                 | (include p               | 5576<br>lugging proceet for detail | 9446<br>edure):<br>led perfora | tion and ac                  | lditional form                     | ation marker  |                           | MA<br>UT<br>WA<br>CH<br>BU<br>PR | REEN RIVER AHOGANY TELAND BUTTE ASATCH JAPITA WELLS JCK CANYON RICE RIVER DDLE PRICE RIVER | 2058<br>2689<br>4845<br>4984<br>5583<br>6248<br>7387<br>8173 |
| 1. El                  | e enclosed atta<br>ectrical/Mecha<br>andry Notice fo | nical Logs               | •                                  | • •                            |                              | 2. Geologic R<br>6. Core Analy     | -   |                           | DST Re<br>Other:                 | eport 4. Direction   | onal Survey  |
| 34. I here             | by certify that                                      | the forego               |                                    | ronic Subn                     | ission #607                  | 41 Verified b                      | ect as determined<br>y the BLM We<br>NC., sent to the | ll Inform                 |                                  | e records (see attached instructi<br>stem.   | ons):  |
| Name                   | c(please print)                                      | MARY A                   | . MAESTAS                          | 3                              |                              |                                    | Title RE  | EGULATO                   | ORY AS                           | SISTANT  |  |
| Signa                  | uture  | Heatro                   | aic Submiss                        | on)                            | Sauf                         | <u>~</u>                           | Date <u>06</u>  | /09/2008                  |                                  |  |  |
| Title 18 U             | J.S.C. Section ited States any                       | 1001 and false, fict     | Title 43 U.S. itious or frad       | C. Section 1<br>ulent statem   | 212, make i<br>ents or repre | t a crime for a                    | ny person know<br>to any matter wi                    | ingly and<br>ithin its ju | willfully<br>risdiction          | to make to any department or an.   | agency   |

#### East Chapita 3-05 - ADDITIONAL REMARKS (CONTINUED):

#### 26. PERFORATION RECORD

| 8264-8391 | 3/spf |
|-----------|-------|
| 7990-8203 | 3/spf |
| 7614-7900 | 3/spf |
| 7267-7506 | 3/spf |
| 6925-7198 | 3/spf |
| 6563-6795 | 3/spf |
| 6209-6471 | 3/spf |
| 5728-5758 | 3/spf |
| 5576-5602 | 3/spf |

#### 27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

| 8264-8391 | 61,088 GALS GELLED WATER & 166,100# 20/40 SAND |
|-----------|--|
| 7990-8203 | 72,781 GALS GELLED WATER & 202,700# 20/40 SAND |
| 7614-7900 | 50,126 GALS GELLED WATER & 136,300# 20/40 SAND |
| 7267-7506 | 62,900 GALS GELLED WATER & 173,100# 20/40 SAND |
| 6925-7198 | 40,199 GALS GELLED WATER & 105,000# 20/40 SAND |
| 6563-6795 | 38,469 GALS GELLED WATER & 95,800# 20/40 SAND  |
| 6209-6471 | 36,200 GALS GELLED WATER & 83,000# 20/40 SAND  |
| 5728-5758 | 40,930 GALS GELLED WATER & 100,600# 20/40 SAND |
| 5576-5602 | 39,079 GALS GELLED WATER & 94,500# 20/40 SAND  |

Perforated the Lower Price River from 9205-06', 9217-18', 9228-29', 9264-65', 9274-75', 9286-87', 9307-08', 9357-58', 9366-67', 9392-93', 9398-99', 9426-27', 9439-40' & 9445-46' w/ 3 spf.

Perforated the Lower Price River from 8935-36', 8959-60', 8969-70', 8994-95', 9025-26', 9038-39', 9051-52', 9087-88', 9096-97', 9106-07', 9133-34' & 9140-41' w/ 3 spf.

Perforated the Middle Price River from 8650-51', 8656-57', 8670-71', 8677-78', 8685-86', 8707-08', 8791-92', 8822-24', 8849-50', 8863-64', 8880-81' w/ 3 spf.

Perforated the Middle Price River from 8442-43', 8456-57', 8464-65', 8479-80', 8493-94', 8511-12', 8533-34', 8538-39', 8551-52', 8568-69', 8578-79' & 8591-92' w/ 3 spf.

Perforated the Middle Price River from 8264-65', 8271-72', 8293-94', 8308-09', 8321-22', 8335-36', 8343-44', 8358-59', 8364-65', 8372-73', 8383-84' & 8390-91' w/ 3 spf.

Perforated the Middle Price River from 7990-91', 7998-99', 8015-16', 8024-25', 8039-40', 8070-71', 8089-90', 8105-06', 8120-21', 8180-81', 8188-89' & 8202-03' w/ 3 spf.

Perforated the Upper Price River from 7614-15', 7617-18', 7658-59', 7680-81', 7686-87', 7759-60', 7766-67', 7784-85', 7856-57', 7879-80', 7891-92' & 7899-7900' w/ 3 spf.

Perforated the North Horn from 7267-68', 7279-80', 7300-01', 7320-21', 7329-30', 7340-41', 7356-57', 7362-63', 7404-05', 7411-12', 7429-30' & 7505-06' w/ 3 spf.

Perforated the North Horn from 6925-26', 6931-32', 6953-54', 6972-73', 7007-08', 7038-40', 7084-85', 7120-21', 7140-41', 7177-78' & 7197-98' w/ 3 spf.

Perforated the Ba from 6563-64', 6573-74', 6604-05', 6630-31', 6657-58', 6673-74', 6707-08', 6738-39', 6758-59', 6788-89' & 6793-95' w/ 3 spf.

Perforated the Ba from 6209-10', 6220-21', 6234-35', 6263-64', 6278-79', 6308-10', 6377-79', 6408-09', 6448-49' & 6470-71' w/ 3 spf.

Perforated the Ca from 5728-30', 5734-36', 5740-42', 5749-51' & 5756-58' w/ 3 spf.

Perforated the Ca from 5576-80', 5584-88' & 5600-02' w/ 3 spf.

#### 32. FORMATION (LOG) MARKERS

| Lower Price River | 8943 |
|-------------------|------|
| Sego              | 9471 |

# STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

#### REPORT OF WATER ENCOUNTERED DURING DRILLING

| Well name and     | d number: ECW 3          | 3-05                     |                                    |          |                             |  |
|-------------------|--------------------------|--------------------------|------------------------------------|----------|-----------------------------|--|
| API number: _     |                          |                          |                                    |          | _                           |  |
| Well Location:    | QQ NENW Section          | on <u>5</u>              | Township <u>9S</u> Range <u>23</u> | BE_Cou   | nty UINTAH                  |  |
| Well operator:    | EOG                      |                          |                                    |          |                             |  |
| Address:          | 1060 E HWY 40            |                          |                                    |          |                             |  |
|                   | city VERNAL              |                          | state UT zip 84078                 | Ph       | one: (435) 781-9111         |  |
| Drilling contract | ctor: CRAIGS RO          | USTABOU                  | JT SERVICE                         |          |                             |  |
| Address:          | PO BOX 41                |                          |                                    |          |                             |  |
|                   | city JENSEN              |                          | state zip 84035                    | Ph       | one: (435) 781-1366         |  |
| Water encoun      | tered (attach addi       | tional page              | es as needed):                     |          |                             |  |
| ĺ                 | DEPTH                    | 1                        | VOLUME                             |          | QUALITY                     |  |
|                   | FROM                     | то                       | (FLOW RATE OR HEA                  | D)       | (FRESH OR SALTY)            |  |
|                   |                          | <del></del> .            | NO WATER                           |          |                             |  |
|                   |                          |                          |                                    |          |                             |  |
|                   |                          |                          |                                    |          |                             |  |
|                   |                          |                          |                                    |          |                             |  |
|                   |                          |                          |                                    |          |                             |  |
|                   |                          |                          |                                    |          |                             |  |
| <b>1</b>          |                          |                          |                                    |          |                             |  |
| Formation top     | s: 1 _                   |                          | 2                                  |          | 3                           |  |
| (Top to Bottom    |                          |                          | 5                                  |          | 6                           |  |
|                   | 7 _                      |                          | 8                                  |          | 9                           |  |
|                   | 10 _                     |                          | 11                                 |          | 12                          |  |
| If an analysis    | has been made of         | the water                | encountered, please attach         | a copy o | of the report to this form. |  |
| I hereby certify  | that this report is true | and comple               | ete to the best of my knowledge.   |          |                             |  |
| NAME (PLEASE PRI  | Mary A. Maest            | as                       |                                    | Reg      | julatory Assistant          |  |
| SIGNATURE         | Mary a.                  | $\overline{\mathcal{M}}$ | $\sim$                             |          | 2008                        |  |
| (5/2000)          |                          | 111.                     |                                    |          |                             |  |

| Form  | 31  | 60-5  |
|-------|-----|-------|
| (Angr | ıst | 2007) |

#### **UNITED STATES** DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

| SUNDRY Do not use the abandoned we submit in tri.  1. Type of Well Oil Well Gas Well Ott  2. Name of Operator EOG RESOURCES, INC.  | 7. If Unit or CA/Agre  8. Well Name and No.   | UTU01304  6. If Indian, Allottee or Tribe Name  7. If Unit or CA/Agreement, Name and/or No.  8. Well Name and No. EAST CHAPITA 3-05  9. API Well No. |                    |   |   |
|--|---|--|--------------------|---|---|
| 3a. Address<br>600 17TH STREET SUITE 10<br>DENVER, CO 80202<br>4. Location of Well (Footage, Sec., T   |   | include area code) -5526 -5527  10. Field and Pool, or Exploratory NATURAL BUTTES  11. County or Parish, and State                                   |                    |   |   |
| Sec 5 T9S R23E NENW 796F<br>40.06980 N Lat, 109.35345 W  | NL 1926FWL  |  |                    | UINTAH COUN   | ITY, UT   |
| 12. CHECK APPI   | ROPRIATE BOX(ES) TO   | INDICATE NATU  | RE OF NOTI         | CE, REPORT, OR OTHE   | R DATA  |
| TYPE OF SUBMISSION   |   |  | TYPE OF ACT        | TON   |   |
| □ Notice of Intent □ Subsequent Report □ Final Abandonment Notice  13. Describe Proposed or Completed Op If the proposal is to deepen directions Attach the Bond under which the wor following completion of the involved testing has been completed. Final At determined that the site is ready for for The reserve pit on the reference.   | Illy or recomplete horizontally, k will be performed or provide operations. If the operation resonandoment Notices shall be file inal inspection.)  ced location was closed a | give subsurface locations<br>the Bond No. on file with<br>sults in a multiple comple<br>donly after all requirement                                  | at                 | d true vertical depths of all pertir<br>uired subsequent reports shall be<br>on in a new interval, a Form 316 | nent markers and zones.<br>filed within 30 days<br>60-4 shall be filed once |
| 14. I hereby certify that the foregoing is   | Electronic Submission #<br>For EOG R  | 69702 verified by the<br>ESOURCES, INC., se  | nt to the Verna    | 1   |   |
| Name (Printed/Typed) MARY A.   | MAESTAS   | Title  | REGULATOR          | RY ASSISTANT  |   |
| Signature Wilgatronic  |   | Date   | 05/04/2009         |   | ·· · · · · · · · · · · · · · · · · · ·                                      |
|  | THIS SPACE FO   | R FEDERAL OR   | STATE OFFI         | E USE   |   |
| Approved By  Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conductive to the applicant to conductive the applicant t | itable title to those rights in the ct operations thereon.  | subject lease Office   |                    |   | Date  |
| Title 18 U.S.C. Section 1001 and Title 43  | U.S.C. Section 1212, make it a  | crime for any person kno   | wingly and willful | lly to make to any department or  | agency of the United  |

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.